

Recovery Administration; to the Committee on Appropriations.

7308. Also, petition of Abraham & Strauss, Inc., Brooklyn, N. Y., concerning the Wagner labor-disputes bill; to the Committee on Labor.

7309. By Mr. RABAUT: Petition of the Old Hickory Club of Detroit, the largest, oldest, and most militant Democratic club in the State of Michigan, and signed by J. Henry Denning, George J. Martin, Grover Taylor, Ruben J. White, Dr. H. E. McCorkle, Samuel Bastien, Ivan Merritt, Albert Fruske, George B. White, and Senator James A. Murphy; to the Committee on Ways and Means.

7310. By Mr. RUDD: Petition of Orrin S. Good and 25 other citizens of Brooklyn and Queens, concerning the extension of the National Industrial Recovery Act and National Recovery Administration; to the Committee on Appropriations.

7311. Also, petition of the Legislature of the State of New York, concerning the Fulmer bill (H. R. 6914), for Federal acquisition of land for State forests; to the Committee on the Public Lands.

7312. Also, petition of William Gibson, M. Herman, G. Delmonico, W. Parsons, M. Sakofsky, E. Erick, P. Lafatro, J. Moskowitz, F. Goldman, and P. Sizirlnick, citizens of Brooklyn, N. Y., concerning the extension of the National Recovery Administration provisions in Ice Code; to the Committee on Appropriations.

7313. By Mr. SHANLEY: Petition of the General Assembly, State of Connecticut, regarding damage to oyster beds in New Haven Harbor; to the Committee on Merchant Marine and Fisheries.

7314. By Mr. TRUAX: Petition of the organized machinists of Lucas County, Toledo, Ohio, numbering approximately 1,500, by their secretary, Clarence E. Martin, urging support of the Wagner-Connelly bill, the Guffey bill on mining codes, the amended National Recovery Administration bill, and the Black-Connelly 30-hour bill; to the Committee on Labor.

7315. Also, petition of 125 active farmers of Elyria, Lorain County, Ohio, by their secretary, Attorney A. H. West, approving House bills 2066 and 4298, as these bills are beneficial to the interest of the farmers; to the Committee on Agriculture.

7316. Also, petition of Local Union No. 1431, United Mine Workers of America, Crooksville, Ohio, by their president, James A. White, requesting and urging support of Guffey coal-stabilization bill, Wagner labor-disputes bill, 30-hour week bill, and social-securities legislation; to the Committee on Labor.

7317. Also, petition of Local No. 170, N. F. P. O. C., Toledo, Ohio, by their secretary, Bernard W. Heintz, urging support of the Wagner labor-disputes bill; to the Committee on Labor.

7318. Also, petition of the Toledo Mailers Union, No. 35, Toledo, Ohio, by their secretary, Oscar Saffron, urging support of the Wagner labor-disputes bill and the Connery 30-hour week bill; to the Committee on Labor.

7319. By the SPEAKER: Petition of the Civic Leaders' Club, Los Angeles, Calif.; to the Committee on Ways and Means.

## SENATE

TUESDAY, APRIL 23, 1935

(Legislative day of Monday, Apr. 15, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 22, 1935, was dispensed with, and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House

had passed without amendment the following bills of the Senate:

S. 93. An act to authorize certain officers of the Navy and Marine Corps to administer oaths;

S. 1208. An act authorizing personnel of the naval service to whom a commemorative or special medal has been awarded to wear in lieu thereof a miniature facsimile of such medal and a ribbon symbolic of the award;

S. 1210. An act authorizing certain officials under the Naval Establishment to administer oaths; and

S. 2197. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia.

The message also announced that the House had passed the bill (S. 2035) entitled "An act to amend an act approved June 25, 1934, authorizing loans from the Federal Emergency Administration of Public Works, for the construction of certain municipal buildings in the District of Columbia, and for other purposes", with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3462. An act to amend an act entitled "An act to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913", and for other purposes;

H. R. 4708. An act for the relief of E. F. Droop & Sons Co.; and

H. R. 6192. An act to authorize the issue of certain automobile tags to certain employees of the House of Representatives.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson	Reynolds
Ashurst	Coolidge	Keyes	Robinson
Austin	Copeland	King	Russell
Bachman	Costigan	La Follette	Schall
Balley	Couzens	Logan	Schwellenbach
Bankhead	Cutting	Loneragan	Sheppard
Barbour	Dickinson	McGill	Shipstead
Bilbo	Dieterich	McKellar	Smith
Black	Donahay	McNary	Steiwer
Bone	Duffy	Metcalf	Thomas, Okla.
Borah	Fletcher	Minton	Townsend
Brown	Frazier	Moore	Trammell
Bulkeley	Gerry	Murphy	Truman
Bulow	Gibson	Murray	Tydings
Burke	Glass	Neely	Vandenberg
Byrd	Gore	Norris	Van Nuys
Byrnes	Guffey	Nye	Wagner
Capper	Hale	Overton	Walsh
Caraway	Harrison	Pittman	Wheeler
Carey	Hatch	Pope	White
Clark	Hayden	Radcliffe	

Mr. AUSTIN. I announce that the Senator from Delaware [Mr. HASTINGS] and the Senator from South Dakota [Mr. NORBECK] are necessarily absent from the Senate.

Mr. ROBINSON. I announce that the Senator from Connecticut [Mr. MALONEY] is absent because of illness, and that the Senator from Georgia [Mr. GEORGE], the Senator from California [Mr. McADOO], the Senator from Utah [Mr. THOMAS], the Senator from Kentucky [Mr. BARKLEY], the Senator from Wyoming [Mr. O'MAHOONEY], the Senator from Nevada [Mr. McCARRAN], the Senator from Illinois [Mr. LEWIS], and the Senator from Louisiana [Mr. LONG] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

### DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, reporting, pursuant to law, that

there is in the files of the Philadelphia, Pa., depot of the Quartermaster Department an accumulation of documents and papers which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. SHEPPARD and Mr. CUTTING members of the committee on the part of the Senate.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Douglas Dunmare, of Parkdale, Ark., praying for the enactment of old-age pension legislation, which was referred to the Committee on Finance.

Mr. COPELAND presented a resolution adopted by Branch No. 278, Workmen's Sick and Death Benefit Fund, of New Rochelle, N. Y., favoring the enactment of the bill (H. R. 2827) to provide for the establishment of unemployment, old age, and social insurance, and for other purposes, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Salt Producers' Association at Chicago, Ill., and the executive board of the New York Clothing Manufacturers' Exchange, New York City, N. Y., favoring the extension of the National Industrial Recovery Act, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Central Civic Association, of Hollis, N. Y., favoring the enactment of the bill (H. R. 6514) to amend section 1001 (a) of the Revenue Act of 1932, relative to the postage rate on first-class mail matter, which was referred to the Committee on Finance.

He also presented resolutions adopted by Colonial Council, No. 25, of Woodmere; Garfield Council, No. 19, of Syracuse; and Salt City Council, No. 114, all of the Sons and Daughters of Liberty in the State of New York, favoring the enactment of House bill 5921, to strengthen the existing law pertaining to the deportation of aliens, which were referred to the Committee on Immigration.

He also presented resolutions adopted by Mill Rock Post, No. 716, of New York City, and Howard Lathrop Post, No. 2307, of Lynbrook, both of the Veterans of Foreign Wars of the United States, in the State of New York, favoring the enactment of the bill (H. R. 2897) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by Division No. 1, Ancient Order of Hibernians, of Niagara Falls, N. Y., favoring the enactment of legislation providing for the issuance of a special postage stamp commemorative of the one hundred and fiftieth anniversary of Commodore John Barry, which was referred to the Committee on Naval Affairs.

He also presented a resolution adopted by the Canastota (N. Y.) Chamber of Commerce, protesting against the enactment of legislation providing for a 30-hour work week in industry, which was ordered to lie on the table.

He also presented a resolution adopted by the Canastota (N. Y.) Chamber of Commerce, protesting against the enactment of the so-called "Wagner labor-disputes bill", which was referred to the Committee on Education and Labor.

Mr. LONERGAN presented the following resolution of the General Assembly of the State of Connecticut, which was referred to the Committee on Agriculture and Forestry:

#### Resolution concerning the textile industry

Whereas the cotton processing tax, proclaimed by the Secretary of Agriculture as of August 1, 1933, under authority of Public, No. 10, Seventy-third Congress, is unsound and oppressive and detrimental to labor and industry in the State of Connecticut; and

Whereas the geographical wage differential prescribed in code of fair competition for the cotton textile industry operates to the disadvantage of labor and industry in this State as compared with Southern States; and

Whereas the cotton industry of the United States is suffering seriously from foreign competition: Now, therefore, be it

*Resolved*, That the general assembly respectfully request the Congress of the United States, either by statutory amendment to the pertinent enabling acts or by appropriate direction to the executive branch, to terminate the application of the cotton processing tax and the North-South wage differential in the cotton textile industry; and be it

*Resolved*, That the Congress of the United States be urged to pass an act which will restrict the importation into this country of any textile article from any country in a greater volume than the average annual volume of importation of that article from such country during the years 1930-34, inclusive; and be it further

*Resolved*, That the secretary of state is directed to send a certified copy of this resolution to each Senator and Representative in Congress from Connecticut.

#### THE TEXTILE INDUSTRY

Mr. KEYES presented a resolution adopted by the Board of Mayor and Aldermen of the City of Manchester, N. H., which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Resolution requesting national legislation to correct present destructive conditions affecting the textile industry of New England

*Resolved by the Board of Mayor and Aldermen of the City of Manchester, as follows:*

Whereas the increased cost of manufactured products due to the cotton processing tax falls most heavily upon the laboring people, who can least afford to pay it, and the importation of Japanese textiles seriously affects the industry in which thousands of our residents are employed; and

Whereas the wage differential in favor of the southern textile mills is causing many of our northern textile mills to curtail production or liquidate, and even now has resulted in the demolition of several mills of the Amoskeag Manufacturing Co., throwing many out of employment: Be it

*Resolved*, That the Board of Mayor and Aldermen, in regular meeting, urges the President of the United States and the Congress of the United States to adopt remedial measures to save the textile industry for Manchester and the State of New Hampshire; and be it further

*Resolved*, That copies of this resolution be transmitted to the President of the United States and to the New Hampshire Senators and Representatives in Congress.

#### REPORTS OF COMMITTEES

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the bill (S. 1861) to incorporate the National Association of State Libraries, reported it without amendment.

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 1626) for the refunding of certain countervailing customs duties collected upon logs imported from British Columbia, reported it without amendment.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 1497) to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army, reported it with an amendment and submitted a report (No. 545) thereon.

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 5914) to authorize the coinage of 50-cent pieces in connection with the California-Pacific International Exposition to be held in San Diego, Calif., in 1935 and 1936, reported it without amendment and submitted a report (No. 546) thereon.

Mr. PITTMAN, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2131) to provide for the establishment of the Big Bend National Park in the State of Texas, and for other purposes, reported it without amendment and submitted a report (No. 547) thereon.

#### ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on the 22d instant that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 97) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia, June 8, 1935, to June 17, 1935, both inclusive.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 2650) to establish a new judicial circuit of the United States, with a circuit court of appeals, hereafter to be called the "eleventh circuit"; to the Committee on the Judiciary.

By Mr. JOHNSON:

A bill (S. 2651) to grant to the State of California a retrocession of jurisdiction over certain rights-of-way granted to the State of California over certain roads about to be constructed in the Presidio of San Francisco Military Reservation and Fort Baker Military Reservation; to the Committee on Military Affairs.

By Mr. SMITH:

A bill (S. 2652) to authorize the President to attach certain possessions of the United States to internal-revenue collection districts for the purpose of collecting processing taxes; to the Committee on Agriculture and Forestry.

By Mr. BYRD:

A bill (S. 2653) for the relief of Samuel Irick; to the Committee on Finance.

By Mr. COPELAND:

A bill (S. 2654) to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc. (with accompanying papers); to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 2655) to define the election procedure under the act of June 18, 1934, and for other purposes; and

(By request.) A bill (S. 2656) to authorize the Secretary of the Interior to grant concessions on reservoir sites and other lands in connection with Indian irrigation projects and to lease the lands in such reserves for agricultural, grazing, or other purposes; to the Committee on Indian Affairs.

By Mr. SHIPSTEAD:

A joint resolution (S. J. Res. 104) to provide for the determination and payment of claims for damage sustained by the fluctuation of the water levels of the Lake of the Woods in certain cases, and for other purposes; to the Committee on Foreign Relations.

By Mr. DUFFY:

A joint resolution (S. J. Res. 105) making an additional appropriation for the Federal Trade Commission; to the Committee on Appropriations.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 3462. An act to amend an act entitled "An act to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913", and for other purposes;

H. R. 4708. An act for the relief of E. F. Droop & Sons Co.; and

H. R. 6192. An act to authorize the issue of certain automobile tags to certain employees of the House of Representatives.

#### AMENDMENT TO RIVER AND HARBOR BILL

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 6732) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

#### CLAIM OF W. K. RICHARDSON

Mr. CAPPER submitted the following resolution (S. Res. 119), which was referred to the Committee on Military Affairs:

*Resolved*, That the case of W. K. Richardson against the United States, No. A-200, be, and hereby is, remanded to the United States Court of Claims, with complete authority, the Statute of Limitations or Rules of Procedure to the contrary notwithstanding, to hear and consider questions of law and fact complained of in the motion for a new trial, made January 28, 1931. Said hearing to be upon the report and finding of facts of the Commissioner and the testimony taken at the former trial of the case,

with and under the stipulation that the amount for which suit was originally brought be reduced to 3 percent of the amount claimed in said suit. Such suit shall be advanced on the docket of the Court of Claims and promptly placed on the trial calendar. This reference is made under section 151 of the Judicial Code.

#### PRODUCTION COST OF CERTAIN CITRUS-FRUIT PEEL

Mr. COPELAND submitted the following resolution (S. Res. 120), which was referred to the Committee on Finance:

*Resolved*, That the United States Tariff Commission is directed under the authority conferred by section 336 of the Tariff Act of 1930, and for the purposes of that section, to investigate the differences in the cost of production of the following domestic articles and of any like or similar foreign articles dutiable under paragraph 739 of said act:

Orange, grapefruit, lemon, and other fruit peel, candied, crystallized, glace, or otherwise prepared or preserved; citron or citron peel, candied, crystallized, glace, or otherwise prepared or preserved.

#### P. W. A. LOANS FOR MUNICIPAL CONSTRUCTION IN THE DISTRICT

Mr. KING. I ask the Chair to lay before the Senate the message from the House of Representatives relating to Senate bill 2035.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2035) to amend an act approved June 25, 1934, authorizing loans from the Federal Emergency Administration of Public Works, for the construction of certain municipal buildings in the District of Columbia, and for other purposes, which were, on page 1, line 9, after "Works", to insert "or such other agency", and on page 2, line 15, after "determine", to insert "; and to advance to the Children's Hospital of the District of Columbia in compensation for clinical examination of tubercular children the sum of \$100,000, or so much thereof as may be necessary, for alterations and enlargement of building, equipment, and accessories."

Mr. KING. I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. KING, Mr. GLASS, and Mr. CAPPER conferees on the part of the Senate.

#### THE COLONY OF CONNECTICUT (S. DOC. 53)

Mr. LONERGAN. Mr. President, in connection with the tercentenary celebration of the settlement of the State of Connecticut I ask unanimous consent to have printed, with an illustration, as a Senate document for use in schools some material of historic interest and importance. The material consists of a manuscript on the subject of the Colony of Connecticut, its beginning, growth, and characteristics up to the time of the observance of its tercentenary celebration in 1935.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

#### FREE SPEECH—ADDRESS BY SENATOR BORAH

Mr. TOWNSEND. Mr. President, on Saturday evening, April 20, the senior Senator from Idaho [Mr. BORAH] appeared before the American Society of Newspaper Editors and delivered a notable address, in which he said:

Mr. Chairman, the press in this country has been vigilant and persistent at all times in the protection of its freedom. No national emergency has been permitted to curtail in any respects its liberty. It has stood steadfastly for its own freedom, and, in so doing, it has made more secure the personal rights and privileges of the citizen. \* \* \*

At no time in the history of free institutions has the obligation of the press to the citizen been more vital and more exacting than at the present time.

Mr. President, I ask that the address in its entirety be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### FREE SPEECH

ADDRESS BY SENATOR WILLIAM E. BORAH BEFORE THE AMERICAN SOCIETY OF NEWSPAPER EDITORS, APRIL 20, 1935

Mr. Chairman, the press in this country has been vigilant and persistent at all times in the protection of its freedom. No na-

tional emergency has been permitted to curtail in any respect its liberty. It has stood steadfastly for its own freedom, and, in so doing, it has made more secure the personal rights and privileges of the citizen.

I could pass the evening with you reciting the story of how and at what cost the freedom of the press was established and against what sinister forces it has been maintained. It is in many respects the most interesting phase of the history of modern civilization. It is in a large part the story of personal liberty and free government. But it is my purpose to lead you into a wider field and invite your consideration to a theme more imminent. I want to speak tonight of the rights and privileges of the citizen—freedom of thought, freedom of belief, freedom of political opinions, freedom of faith—and the right of the citizen to give expression to his thoughts. At no time in the history of free institutions has the obligation of the press to the citizen been more vital and more exacting than at the present time. It has been said that you may chain down all other rights and leave the press free and it will in time unchain all the rest. That does not exaggerate your responsibility nor overstate your power. Arbitrary government and a free press cannot long exist under the same flag.

If I am not mistaken, you have resting upon you a duty calling for no less vigilance, no less courage, and no less ability than have so many times been displayed by great editors and great newspapers who in the past have won the eternal gratitude of a free people by their unselfish defense of human rights. We boast that this is an age of enlightenment. I shall not assume, of course, to challenge that fact. But I cannot refrain from remarking that in this age of enlightenment only a very small percentage of the people of the world enjoy the blessings of free speech and of a free press. It is equally true that in the world at large civil and religious liberty are everywhere under challenge.

Hidden away in one of the volumes of Tacitus, given little prominence, almost casual in presentation, are the lines now familiar to all: "So for the quieting of this rumor (that is, the setting fire to Rome), Nero judicially charged with the crime, and punished with most studied severities, that class, hated for their general wickedness, whom the vulgar called "Christians." The originator of that name was one Christ, who, in the reign of Tiberius, suffered death by the sentence of the procurator, Pontius Pilate. The baneful superstition, thereby repressed for the time, again broke out not only over Judea, the native soil of that mischief, but in the city also, where from every side all atrocious and abominable things collect and flourish." From Nero until now, from the reign of that despot until the days of his modern imitators, men have thus dealt with "baneful superstitions", repressed them for a time through force, employing the prison, the fagot, and the wheel, to see these so-called "baneful superstitions" break out again. During all these centuries there have been those who acted upon the vain and vicious theory that you can change beliefs by the employment of "most studied severities." It is no exaggeration to say that most of the misery of this world has been caused by men acting upon this theory.

One is sometimes made to feel that the most universal, the most tenacious, and certainly the most deadly passion which stirs the human heart is that of intolerance. It is peculiar to no race; it is the curse of all. It has bathed nations in blood; it has sent millions to the block, to exile, and to the dungeon, degraded humanity and profaned the name of religion. The war against intolerance is an eternal war.

Mr. Chairman, in periods of distress, when the Nation's spirit is troubled and confused, it may be expected that this trouble and confusion will find expression in many laws spread upon the statute books in an honest effort to solve pressing problems. We need not take too seriously many of these statutes. With better days and a clearer sky they will be repealed or lapse into that oblivion which often gently covers the record of well-intentioned error. But there are great principles, vital principles, an indispensable part of free government from which we should at no time and under no circumstances permit ourselves as a people to depart. Precedents established in contravention to these principles may at any time thereafter be invoked and used to the disadvantage or serious injury of the people. These principles relate to opinions and the right to express opinions; they relate to the utmost freedom of discussion so long as peaceably conducted. Here lies the fountain source from which all truth, all righteousness, all justice, and all freedom of the citizen flow. It should never suffer pollution from intolerance or arbitrary power. No emergency can justify or condone withholding from the citizen the full enjoyment of these principles. It is the highest and most sacred obligation of the press to see that the people suffer no abatement of their rights in this respect. Liberty of the press, unsupported by the liberty of the citizen, would seem impossible; but, if possible, it would constitute a cruel and cowardly betrayal of the people upon the part of the press, and the press would merit, and in due time would receive, the full penalty of retribution.

During recent months a deluge of bills have been introduced in the different State legislatures and some in Congress, all founded in the exploded theory apparently that you can control opinions and beliefs by law. Some of these measures are sound in principle and are justified in that they seek to punish acts, acts of violence or appeals to force. Others properly provide punishment for those who defy officers of the law or who seek to incite riots and disorder. But others enter the domain of opinions and beliefs, and would seek to restrain or control such opinions and beliefs by punitive measures. They constitute a dangerous experiment. They are at war with the first principles of democracy. They re-

produce the very principles which brought this Republic into existence and which has maintained it. The test of truth in politics or religion is not a law or a jail; the test is whether through appeal to the minds and hearts of men and women you can get your views accepted by the public opinion of the world. In some of these measures loose and vague definitions joined to a discretionary power, supported by spies and provocators, give us a glimpse of a system foreign to every conception of American freedom. In spirit, if not in exact terms, the old alien and sedition laws, to which the mild spoken Madison referred as "a monster that must forever disgrace its parents", are revived and that first great national mistake in the matter of arbitrary legislation would again be reenacted. I doubt not with the same futile and humiliating result.

Morley, in his biography of Voltaire, recalls how Voltaire often became enraged by the repeated recurrence of horrors which he had supposed dead. It stirs one's wrath and challenges one's faith in human advancement to find men in responsible positions and writers of conceded standing bringing forward again the shameful betrayal of free speech found in the old alien and sedition laws, digging down in the debris of things which the enlightened judgment of a century has sealed with its disapproval and its scorn, and presenting them anew for our consideration and approval. It discloses how utterly sterile and reactionary are these professed defenders of American principles when they propose to satisfy the aspirations of the American people from the intellectual garbage cans of the last century. If these and similar laws were enacted, and should they be held valid, it would be impossible for men and women with the most patriotic motives to assail many social or political wrongs now made respectable by law or custom. It would only be one step further when no man could run for office except upon the platform or ticket of those already in power. It is one of the strange freaks of human nature and one of the tragedies of government that many men who, through the accidents of politics, secure office immediately become possessed with the idea that they are the sole custodians of American principles, the sole guardians of American institutions, and the exclusive possessors of American ideals. Hence, they immediately begin to enact laws upon the theory that the people generally are weak, susceptible, dangerous, prone to think for themselves, and sure if they do to think unwisely. The fact is that the real guardians of American democracy and American ideals are these same people whom the lawmakers seem constantly to distrust.

When we are engaged in the delicate and hazardous task of legislating in regard to the personal liberty of the citizen, it is a wise rule to resolve all doubts not only in favor of his rights but, furthermore, we can well accept as a guide in the task the fact that he will neither willingly surrender nor willfully abuse them. Whatever may be said in favor of men trained by experience and expert in knowledge in framing and administering the more involved matters of legislation and government, nevertheless, as to the great underlying principles upon which constitutional government rests, there is no safer, sounder judgment to be had than the judgment of the people after free and full discussion. If this were not true, our whole theory of government would be grounded in a delusive and fatal error.

When objections are made to these laws and proposed measures, we are heatedly informed that they are the means and methods by which we are to crush out communism, fascism, and nazi-ism, and all other isms which many sincerely, no doubt, believe now threaten our institutions. Then follows the devastating interrogatory which is supposed to annihilate the objections and the objector: Are you a Communist, are you a Fascist, are you loyal to the flag? For myself, I am not a Communist. I abhor its teachings and its practices alike. They would sink beneath the confused theories of a material existence family, religion, personal liberty, free speech, and a free press—a sodden existence, from which all spiritual life is excluded. I hate no less fascism, with its cold, brutal absorption of the average man and woman in the remorseless schemes and ambitions of a soulless state. But I reject, I utterly reject, I denounce, as subversive of everything which we Americans hold sacred, the theory that in fighting communism and fascism you must surrender Americanism. It is my contention that to oppose communism and fascism by surrendering the very things, as free speech, the right of assemblage, which distinguish Americanism from fascism and communism, is blundering leadership and unworthy of the support of true Americans. It is one thing, and a very laudable thing, to expose the fallacies and dangers of communism and fascism and bring these matters home to our own people, but it is another thing, and, in my opinion, an unnecessary thing, in doing so to undermine and perhaps ultimately sacrifice essential rights of our own people.

Is it proposed that we shall fight communism and fascism by adopting the methods of communism and fascism? A singular remedy indeed! Do not the advocates of these restrictive and repressive and un-American measures and methods overlook the fact that while they are spreading upon the statute book laws which purport to deal with a few Communists and a few Fascists they are at the same time chiseling away the rights and privileges of 130,000,000 loyal Americans? When you deny even for a time the right of assemblage, the right of full discussion, the right of debate, you have taken the first step which the Communists and the Fascists always take in their efforts to establish arbitrary power.

Neither the communist nor the fascist regime could exist for a fortnight in the atmosphere of intellectual freedom—give the people of those countries permission to assemble, to speak freely, and the reign of the Communists and the Fascists would speedily end. Yet people in this country are advocating measures which

would fit into no other program in the world save the program of sheer arbitrary power.

I fully understand that both communism and fascism are at war with every teaching and tenet of this Republic. I perfectly understand there can be no compromise between communism or fascism and democracy. Both systems boast they are reared upon the ruins of democracy. But while there can be no compromise, neither can there be any imitation. One is quite as fatal as the other. Let communism or fascism accept the fundamental principles of democracy, such as free speech and the right of assembly, and they will disappear. Let democracy accept the principles of communism and fascism, the denial of free speech and right to assemble, and it disappears. I freely admit also that democracy is under challenge. Indeed, all systems of government are under challenge at this time. But I dare to prophesy that when this war of systems and doctrines and schemes of government is over, that form of government which faithfully respects and preserves the rights and privileges of the citizen, that form of government which holds steadfastly to the tenets of civil and religious liberty, will in the end triumph over all others. The average man and woman in government have come to stay. They will have a voice and they will have a say. They may be beaten down by brute forces for a time, but only for a time.

Recurring again to the period of the sedition laws, from which precedents are now sought to be drawn, we find that the declared purpose in the beginning was to rid the country of radicals and radical schemes and prevent the overthrow of our young Republic. The people were aroused to believe that the doctrines of the French Revolution were seeking recognition upon the western continent and that certain great leaders were involved. But while this was the ostensible and probably the sincere purpose in the beginning, before the laws were repealed, men were sent to jail for urging in ordinary modern political parlance, the election to the presidency the author of religious liberty in Virginia, author of the Declaration of Independence, and the leading advocate of the Bill of Rights to the Constitution of the United States. Jefferson was denounced as a radical, a revolutionist, and preparing to change our whole system of government. Those who are advocating these oppressive measures may think they are simply dealing with Communists, but tomorrow under the same precedents men and women will be charged with sedition for proposing the correction of abuses which time has made both respectable and profitable. Intolerance, once it taints the blood of a body politic, like the "juice of the cursed hebenon coursing through the natural gates and allies of the body" soon "lazarlike" cover the whole body politic with "vile and loathsome crust."

This experience with alien and sedition laws was one of the instances in which it was claimed that they were suspending free speech just for a time, suspending free speech to save free speech, denying democracy in order to save democracy. Such were the arguments and such are the arguments we hear in these days. What miserable fallacies men have the presumption to advance as a justification for stealing away the rights and liberty of a people! What saved free speech in that instance? What saved democracy? It was the willingness of men to face prison rather than give up their rights. What saved free speech and democracy was the election of a man who tore the laws from the statute books, threw open the prison doors, and restored the right to full and free discussion among a free people.

We read in the news reports and in special articles from time to time that the people of this country are ready for fascism or that communism has saturated the whole national thought with its remedies. Immediately another bill is introduced somewhere to stop this disintegration by law and another bureau created to take over further management of the business of a supposedly decaying nation. In a notable speech a short time ago it was estimated there were 80,000,000 people in this country ready to accept theories and schemes wholly un-American in their import. I give it as my opinion that the figures were fully 80 times too large. I venture the further opinion that if some angel of the Lord, as was the ancient custom, should come to the United States bent upon retribution because over half of the people were ready to betray the freest of governments, that some patriarchal Abraham could easily stay divine wrath by convincing the messenger that out of 130,000,000 people not a million could be found disloyal to the Government of Washington and Lincoln.

We should not make the mistake of branding as Communists or Fascists the great number of people in this country who believe that changes are now due in our social, economic, and financial systems. These are the people whom I am particularly interested in protecting in the matter of free speech. These people are not asking or urging theories of government which would destroy home, family, personal liberty, and religious freedom. On the other hand, they are aroused to preserve the very things which such systems would take from them. They believe that these things can be preserved by just and wise application of perfectly sound American principles to present conditions.

While there are not 80,000,000 people dissatisfied with American ideals, there may be, and likely are, 80,000,000 people who believe that our economic and financial systems should be reexamined, not with a view of destroying American principles and American ideals but of preserving them; not with a view of adopting systems which have destroyed family, uprooted religion, and murdered liberty, but with a view of making these things eternally secure. That this fight for readjustment under American principles will be a fierce one we need not doubt. Whatever else we do, therefore, let's keep the forum open and untrammelled. We need not be disturbed that

measures are proposed which to some seem unsound; we need not take to shelter when someone cries "Radical!" If the measures are unsound, debate will reveal this fact better than anything else that has yet been discovered in the affairs of government. But if these measures are sound and in the interest of humanity, we want them under whatever name they may come to us as a people. All theories, all principles, all schemes, should be tested in the open and under the fierce light of public debate.

Let the legislator keep his hands off the forum so long as its participants refrain from the use of force or appeals to force. "It is time enough", said Thomas Jefferson, "for the rightful purposes of civil government for its officers to interfere when principles break out into overt acts against peace and good order." The safety of our form of government, the safety of democracy, rest upon that orderly program which comes from the clash of conflicting opinions. Repression is not only the enemy of free government but it is the breeder of revolutions. It is the enemy of progress and human happiness. And, above all, it is neither a test of error nor of truth.

There is a growing belief, with constantly increasing facts to support it, that this depression is something more than an ordinary economic debacle superinduced in the first instance by war and mad speculation—that it is also a warning that a period of readjustment is at hand. To what extent and in what respect this readjustment is to take place no man or group of men are wise enough to know. That it will result in great changes can hardly be doubted. The world has learned many times at great cost of life not to despise the counsels nor to pass unheeded the demands of those who have known the pangs of hunger and the lashes of economic injustice. At any rate, let them be heard. And because they demand a hearing, do not proceed to brand them as Communists or Fascists, or disloyal. They should be heard without fear and without restraint. If this movement for readjustment is to proceed in an orderly, American way and is to be settled according to American standards, then it should—it must—proceed under the auspices and according to the rules of true American principles.

This is an old, very old, question. It has been discussed for 2,000 years and will continue to be discussed as long as men hate oppression and love liberty, as long as men claim the right to approach their God in their own way. But while it is an old question, it is a vital question. It seems to me of peculiar importance just now. The years since 1917 have been years of great trial and great sacrifice. To say nothing of the sacrifices of the war, men and women everywhere and in all walks of life have lost their fortunes. Age has been deprived of the savings of a lifetime. Youth has come upon the scene with no chance even to earn a livelihood, much less to realize their ambitions. They have been years of deep adversity. It is little wonder that there seems to be a break-down of faith in many of the things which we have heretofore greatly valued. But the great and vital things of life ought not to be sacrificed. To sacrifice such things does not help to end the depression, it does not speed recovery. To kill initiative, to undermine self-reliance, to discourage self-help, to destroy liberty, to lose confidence in the judgment and stability and patriotism of our own people, do not help recovery. They not only retard recovery, but they make it less valuable when it arrives. Whatever, therefore, we may do in this distressing situation, we can all afford to agree upon the preservation of the great vital things which distinguish American life. Humanity is, after all, a controlling factor in political economy; in fact, there is no sound political economy without the predominance of humanity. The things which nourish and cultivate and preserve the intellectual and spiritual forces of a people are the things which make for permanent recovery and for the advancement and stability of national power.

Tested by the principles upon which our Government and our civilization rest, communism, fascism, and nazi-ism are one and the same. There may be differences between these systems but between them and the principles of our Government they may be regarded as one. In the name of humanity they crucify humanity. In the name of the people, they rob the people of their liberty. In the name of progress, they resurrect and reemploy the reactionary and repressive measures of the dead centuries. But the distinguishing, crowning infamy in their brutal creeds common to all is their utter distrust and their remorseless oppression of the average man and woman. In the economy of these systems, those whom Lincoln was fond to call the common people, are the mudsills of the social structure. There is but one reason for existence, and that is, to breed and slave and fight and die for the corporate State. I have, therefore, only commendation for those who oppose and expose these ancient tyrannies parading in modern garb. Let the exposure be unceasing and ruthless. But with the American people we have only to expose them. We need not fear the judgment of the American people after the exposure has taken place. There is no man, or set of men, in public life more capable or more vigilant to reject these systems of government than the great body of the people. I am not in the least doubtful of the verdict.

Mr. Chairman, it is highly proper to place guards in the watch-tower, it is always the part of wisdom to locate the enemy as he approaches the "walls of the city." But the great problem of representative government, as I see it, is not alone that of coping with those who openly advocate the destruction of representative government, but rather how to deal with the forces—economic and political—which grow restless and sometimes defiant under the restraint of law. It is not the things threatened by the open enemies of constitutional government but the things done by the friends, or supposed friends, of constitutional government which are the more difficult to counteract and control. The tendency at home and among ourselves, the trend in public affairs—marked and unmistakable for more than a quarter of a century—presents the

most difficult and the most dangerous problem. The Communist on the street corner brawling his wares to passersby may secure some scattering support, but is not to be compared as a problem in government to the impatient lawmakers, or administrators, who feel justified in disregarding constitutional principles in the interest of efficiency and, of course, always in the name of the people.

The Constitution is the rule which the people themselves have established as a guide for their agents in the discharge of their trusteeship. There is ample power within its provisions to enable the servants of the people to meet all emergencies in war or in peace. Within its terms may be found full authority to resist communism, or fascism, or to deal with all emergencies without in any respect disregarding its limitations and without surrendering the liberty or forfeiting the rights of the citizen. This trend away from constitutional methods can never be arrested in any other way than by aroused and well-sustained public opinion. In other words, it is distinctly the peoples' fight. There is little to be expected from political parties. They are prone to subordinate everything to party success or to party expediency. The history of the two leading political parties during the last 30 years gives little evidence of any serious differences as to the most pronounced tendencies in matters of government.

I do not regard this as the time or occasion to go into detail. But to indicate what I have in mind, I give a single illustration. The practice which has grown up of authorizing departments to make rules and regulations, the violation of which constitutes a crime, is one of the most objectionable practices with which the citizen has to contend. This practice has been denounced by both parties when out of power and adopted and extended by both parties when in power. There is scarcely any scheme imaginable more calculated to instill fear and confusion in the mind of the ordinary person and to finally undermine all freedom of action than to subject him to countless rules and regulations by numberless departments, or bureaus, the violation of which burdens his property or restrains him of his liberty. It is a species of tyranny that is foreign to every concept of constitutional government.

There are other illustrations ready at hand, but I refer to only one to indicate what seems to me the real problem with which modern government has to deal, and that is, how to protect the citizen against the encroachment upon his rights and liberty by his own government, how to save him from the repressive schemes born of the egotism of public office.

No political party for a moment would take the responsibility of proposing a constitutional amendment which would authorize the doing of these things. No political party would consider for a moment submitting to the people themselves the question of the right to exercise this power. It is this slow chiseling away of the rights and privileges of the citizen which presents the real problem in constitutional government. There are two powerful agencies which may always be used to counteract this trend, this tendency—they are a free press and a free speech, open, untrammelled debate. So long as these rights remain unimpaired, there is always hope that wrongs may be righted. So long as the press is free and courageous, so long as the people are alert and free to speak, these tendencies are not likely to pass beyond the point where remedies are available.

I am not to be understood as contending that the Constitution of the United States is a sacred document—never to be amended, never to undergo modification or change. It has been amended and doubtless will be amended again and again in the course of time. No human document can be wholly exempt from change, superinduced through time and the forces of progress. But with whom rests the right to amend? That is the supreme question. With the people, and the people alone. That right, that power, is sacred, if anything in government can be so termed. Upon that right depends the whole question of a people's government and the preservation of personal liberty. Upon that right rests the whole vast structure of a government "of the people, by the people, and for the people." This exclusive right to amend is as sacred as human liberty itself. It is this right which distinguishes our Constitution from all constitutions or forms of government which preceded it and which made possible the first and only real republic that has ever existed upon this earth. When the people consent to, or connive at, changes in the Constitution by any other agency than the people themselves, they consent to, and connive at, their own overthrow. When they allow their agents, Congress or the Executive, or the courts, to enjoy this power, through usurpation or strained and unnatural practices or construction, they make their agents their masters.

In saying this, I do not withhold in any degree my assent in full to the declaration of Thomas Jefferson that this Constitution is for the living and not the dead. I agree also with the language of its greatest expounder that the Constitution was intended to endure for ages to come and consequently to be adapted to the various crises of human affairs. It is a living instrument. It is to be adapted to the various crises of human affairs. To that all must agree. But the power to do these things, to adapt it to the demands of progress, rests with those whose charter it is—the collective judgment and discretion of the people. Whatever unbeaten paths we, as a people, may choose to enter, the people should hold fast to that proposition. That keeps the Government the people's government.

The people have the right to establish any form of government they desire. They may so amend the Constitution as to wipe out State lines, give the department the power to make laws; they may establish a socialist state—the wisdom of such a course is another question. But if the essential provisions and character-

istics of our Government as we have known and enjoyed them are to be changed, or destroyed, the work should be done in the open, deliberately, and avowedly, with the people of the United States standing by.

Mr. Chairman, it is a mistake at any time, it is a fearful mistake at a time when the cooperation of the whole Nation is essential in the rebuilding of our economic structure, to proceed upon the theory that the American people, or any considerable number of the American people, are infected, or susceptible of infection, with those strange isms which now torment so large a portion of the human family. To proceed upon any such theory is to greatly hinder progress in this stupendous task before us. When the story is finally written from 1914 to 1935, and on until these days of difficulty and danger are over, when the final verdict is rendered, it will be said that the outstanding feature of the period through which we are passing was the patience and patriotism of the people of this country. Drafted to fight in a foreign war, exploited by profiteers while they fought, the victims of promoters in a saturnalia of speculation, impoverished by an economic cataclysm for which whoever else was responsible the people were not, driven almost to madness by floods and drought and dust storms, and who has heard coming from these devoted men and women the voice of sedition, of disloyalty to the Government? What is the test of devotion to country if this is not? Who could have the hardihood in the face of this story to propose that one jot or tittle be subtracted from their rights, from those rights, privileges, and guaranties which are the birthright of American citizens? Measures to that end are simply crude libels upon the manhood and womanhood of the land.

We have heard enough about the American people being ready for communism or fascism. They are ready for Americanism, for that social and economic justice which is an inseparable part of Americanism. This job which fate and circumstances have cut out for the American people and for our Government calls for a united nation, and that means loyalty of the Government to the people just as much as it means loyalty of the people to the Government.

#### THE NATIONAL LABOR-RELATIONS BILL—ADDRESS BY SENATOR WAGNER

Mr. COSTIGAN. Mr. President, last Sunday evening, April 21, 1935, the junior Senator from New York [Mr. WAGNER] made over the radio a characteristic address, rich with feeling and strong with conviction, on the national labor-relations bill. On that subject the Senator from New York, the author of the bill, is an acknowledged expert. All Members of the Senate will undoubtedly wish to read his brief discussion, and I ask unanimous consent that the address may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The depression fell with equal fury upon industry and labor. It robbed the business man of the hard-won earnings of a lifetime and it deprived the worker of the sacred right to earn his daily bread. This universal calamity impressed upon most thinking people the truth that employer and employee in the United States have mutual interests in the present and mutual aspirations for the future. Thus the program of leadership inaugurated 2 years ago was based upon the ideal of teamwork between an awakened industry and an enheartened labor.

This program saw from its beginning that disorganization had provided the nourishment for hard times. We realized that business had plunged into a wilderness of difficulties because of a blind and unchecked form of individualism, with each enterprise working at cross purposes, and with many of them cutting prices, slashing wages, and indulging in other unfair methods of competition. We realized also that employees, without any unifying influences to direct their efforts, were demoralizing standards by assenting to sweatshop conditions, thus knocking the props of purchasing power from beneath the structure of business. We came to the sound conclusion that everyone would profit by subordinating narrow and selfishly conceived interests to a Nationwide plan for general revival. Cooperation was thus made the keynote of the recovery drive.

Insofar as business was concerned, the new strategy consisted largely in removing some of the outworn restrictions of the anti-trust laws. Employers have been allowed to cooperate among themselves to stabilize business operations by exchanging information and prohibiting unfair competitive methods. None can deny the benefits that have flowed as a result of these changes. Mounting profits and a more hopeful outlook are the major characteristics of the past 2 years generally and of the past 6 months in particular. Business has commenced to thrive under the new deal.

The second part of our program took note of the need for a broader and more sympathetic understanding between employers and employees, for if employers did not cooperate with their workers, as well as among themselves, they would be rewarded with strife rather than with peace and they would not receive the willing support and confidence upon which smooth industrial operations depend. In addition, the exile of labor from the councils of business would perpetuate the lag of wages behind profits, and

in the end would drag the whole economic system back into the mire.

Now, it was perfectly obvious to every observer of modern large-scale enterprise that it would be impossible for employees individually to deal directly with their employers. One cannot imagine an isolated worker cooperating with the United States Steel Corporation. Nor can one imagine a single huge employer cooperating separately with each of 10,000 to 50,000 workers. Cooperation depends upon the free and untrammelled right of workers to organize for that purpose.

Thus the American battle for industrial liberty has been waged upon the issue whether workers shall be free to associate together if that is their desire. The first great victory was won when, after 7 years of frustration, Congress passed the Norris-LaGuardia Act. This act denied the help of the Federal courts for the enforcement of the "yellow dog" contract, that instrument of bondage which required as a condition of employment that a man promise not to affiliate with others of his kind.

But the elation of the friends of freedom was short-lived. Devious devices were used to defeat the objectives of the Norris-LaGuardia Act. Even without the "yellow dog" contract the unfair employer could discharge and discriminate against workers if they violated any dictate of his will. As a remedy the famous section 7 (a) was passed, forbidding any interference with the right of workers to organize for purposes of mutual advancement. No one who believes that the "yellow dog" contract is wrong could logically oppose section 7 (a).

The virtual collapse of section 7 (a) is a matter of common knowledge. The cause for this has been that a relatively small number of unfair employers have discriminated against and discharged employees who exercised their fundamental rights; have set up a masquerade type of union which is really the creature of the employer rather than the representative of the employee, and have taken advantage of the lack of adequate enforcement power behind section 7 (a) to defy the Government with brazen impudence.

The immediate result of shutting out employees from full participation in the recovery program has been to deny them their full share of the fruits of recovery. While profits have risen with gratifying regularity, reemployment has slowed down to a snail's pace, and we are still confronted by the horrible spectacle of eight to ten million people who search earnestly and hopelessly for some form of work. While minimum wage rates have been raised under the codes, a substantial part of this gain has been charged to wage earners in the upper brackets and to the vast consuming public in the form of inordinately high prices. If these conditions persist, it is only a question of time until the burden will be borne by business itself. The upswing of business cannot be maintained indefinitely unless there is a tremendous reduction in unemployment, a sustained rise in purchasing power, and a removal of the present industrial discontent based so largely upon a denial of legal as well as ethical rights.

It is to these ends that my national labor-relations bill is directed. From the date of its introduction this bill has been misconstrued and misrepresented by the opponents, both secret and avowed, of the principle of freedom for the man who works. The malicious falsehood has been widely circulated that the measure was designed to force men into unions, although the text provides in simple English prose that workers shall be absolutely free to belong or to refrain from belonging to any organization. Practically everyone has heard the charge that the bill imposes a closed shop and a union monopoly upon the whole United States, when in fact it does absolutely nothing to change in any State the existing law in regard to the closed shop. Millions of printed pamphlets, emanating from a few sources of prejudice or reaction, contain the concoction that the bill enlists the Government in favor of some particular kind of union. In truth the bill permits any worker not only to stay out of all unions if he so desires, but also to select any kind of organization that he prefers, either national or local, either craft or industrial, either federated or confined to the limits of one company. It does not subject him, however, to the menace of a pretended union that is dominated and bought by the employer. It makes the worker a free man. To cap the climax of deliberate misstatements, it has been asserted that my bill invests the National Labor Relations Board with arbitrary and dictatorial powers greater than those possessed by any court in the land. But when the hearings were held this month I publicly challenged everyone who made this criticism to show one substantial respect in which the bill went beyond the powers conferred upon similar administrative agencies, such as the Federal Trade Commission, the Interstate Commerce Commission, and a multitude of others. In no instance was my challenge answered, because there was no answer.

When rescued from the smoke of false issues that have been raised around it, the provisions and purposes of my bill are extremely clear and simple. It incorporates the principles of section 7 (a). It illegalizes the dummy union which is dominated by the employer. It provides for secret elections, supervised and conducted by the Government, where employees may choose representatives for collective bargaining under the American principle of majority rule. At the same time, even after the majority has acted in accord with democratic procedure, the right of minorities or individuals to confer and discuss grievances with their employer is preserved. Finally, the bill creates a permanent board of three members, appointed by the President by and with the advice and consent of the Senate. The power of this board to issue orders is strictly limited to the preservation of the industrial freedom guar-

anteed specifically by the bill. Moreover, every single order is reviewable in full by the Federal courts.

The passage of the national labor-relations bill will help every industry that wants peace and harmony. It will help every industry that believes that contented and decently treated workers are the richest materials any country can possess. It will help every industry that prefers a steady flow of temperate prosperity, rather than the hectic flush of fictitious prosperity followed by the deep gloom of returning depressions.

And in helping industry let us not forget that we shall help the worker also. Forty thousand American workers have borne the depression with heroic patience and fortitude. Those who did not actually lose their jobs were tormented, nevertheless, by the constant fear of insecurity and by the added burden of helpless relatives and friends. Even those at work have seen their children denied the elementary needs of food, clothing, and schooling. They have gone through the valley of despair for the future of their families. In trials of peace as in trials of war, the American workers have never broken faith with this country or its Government. They have been the backbone and the strength of the Nation. The time has come when our Government must recognize the deep extent of their devotion. We must not now repudiate the pledge that has been given them of emancipation from economic slavery and of an opportunity to walk the streets free men in fact as well as in name.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 2367) to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, to engage in rural rehabilitation, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from North Carolina [Mr. BAILEY].

Mr. NORRIS. Mr. President, the other day in discussing this bill I referred to experiments along similar lines made by the Government of Australia and the State of California. I have not read my remarks, but, as I remember, I did not undertake to cite those instances as showing the success of the plan; in fact, I did not know whether or not the experiments had been successful, my only purpose being to show that experimentation along this line was not entirely new. I have a letter this morning written by Mr. N. Reesor, of Silver Spring, Md., in which he says:

It is quite evident that you have been misinformed concerning this plan and its results. It was a complete failure and was abandoned by direction of the legislature some years ago. This is well known in California, and is conclusively shown by the official reports of administrative officers, by court decisions and by legislative records.

He says further:

I think you will find upon investigation also that the Australia plan was far from successful.

He sends me a copy of the legislative report, which I have not had time to read.

I only mention this, Mr. President, because I do not want to be placed in the attitude of trying to deceive any Member of the Senate as to his vote. I do not believe, however, these criticisms made by Mr. Reesor afford a sufficient reason why we should defeat the pending legislation, even if those experiments were not successful. When I think of the condition in connection with agriculture, namely, that farm tenancy has been increasing in the United States at an alarming rate during the last 50 years, I feel as though we ought to do something about it.

The bill, if enacted into law, will, of course, be an experiment, as I said the other day. It will fail completely if its administration shall be faulty or corrupt or wrong. It will be, in my judgment, a very great success and will mark a milestone in our history if its administration shall be honest and fair and efficient.

I merely mentioned the other day the experiment in Australia, but the information in regard to it, which I think would be very reliable, could be given by Dr. Mead, head of the Bureau of Reclamation, from whom I gathered my information quite a number of years ago. I have not since talked with Dr. Mead about it. He was in charge, as I remember, of that experiment in Australia, and he thought, as expressed in the conversation I had with him at that time, it

had been a very great success. It only demonstrates what Mr. Reesor said in the letter, it seems to me, that care must be taken in the administration of the law. I assume that care will be taken and that it will be honestly administered. If it shall be, I shall expect to see a very great improvement in farming conditions. It seems to me anything that will result in the number of tenants being decreased and the number of home owners being increased must result in a very great improvement to our country and to our civilization.

I have read these extracts from Mr. Reesor's letter in order that no Senator may have any doubt in regard to what I was attempting to do. His criticisms are very constructive, and, although I do not know him, I desire to thank him for the letter.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. BAILEY], on which the yeas and nays have been ordered.

Mr. BAILEY. Mr. President, I understand I have 30 minutes on the bill.

The VICE PRESIDENT. Only 15 minutes. Since 3 o'clock yesterday, the time for debate on the bill has been limited to 15 minutes.

Mr. BAILEY. Mr. President, I read in a newspaper yesterday the report of a speech by Mr. Secretary Ickes, in which he used these words:

The spring of 1933 was like the sinking of a great liner in a hurricane. A nery skipper in a rescue cutter stood by. There was no partisanship then; no criticism of him for the cold and the wet and the danger.

Everybody took that skipper's orders because no one else knew what to do or dared to take the responsibility for doing it.

Not a single rugged individualist even peeped about letting nature take its course, or about the survival of the fittest.

They grabbed at the lifeline extended to them without asking where they were being taken, and that line held in the hour of need.

But now, temporarily safe in a calmer sea, they are quarreling over what port it shall be.

I am quarreling over what port it shall be. When we shall have concluded our duties here and our struggle with the depression, it is the deepest hope of my heart that this shall still be a representative free republic, a union of autonomous States, and not a Federal socialism. I have taken oath to see to it that that shall ever be our port.

Mr. President, with all conservatism and carefulness of statement, I think we have reached the point in the stage of our legislation here where we must determine whether the National Government shall proceed in a course which may hopelessly involve us in a character of Federal socialism or whether we shall, notwithstanding the exigencies of the severe situation which abides with us, pursue a course which will bring us through at last not only with recovery but also with a republic, not only with the restoration of a reasonable prosperity but also with the preservation of the character of the autonomous States which constitute the American Union.

I had this morning in the Finance Committee, as other members of the committee had, a message from the Secretary of the Treasury, delivered in person. I am going to read a few words from that message.

Moreover—

He said—

the credit of the United States Government depends very largely, in my opinion, upon scrupulous adherence to the President's program. I don't think we can continue to enjoy the present favorable rates and favorable market for the sale of Government securities—

Mr. BANKHEAD. To what bill was he referring?

Mr. BAILEY. The Bankhead bill; it is not in the President's program. His language referred to all money bills not in the President's program.

I don't think we can continue to enjoy the present favorable rates and favorable market for the sale of Government securities if new expenditures are incurred which go far beyond the limits of those which have already been outlined. A material decline in the market price of Government securities, which would be very

likely to result from large expenditures outside the Budget, would work a grave injustice upon all purchases of Government securities and would tend to slow up the whole recovery program.

There is a message from the financial head of the Government. While he was before us I inquired of him whether the pending legislation had been submitted to him. He stated that he knew nothing about it, that he had not seen it, and had never passed upon it. I asked him if he would like to pass upon it. He said that would be for the will of the Congress.

Let us see what is now our situation with respect to the national debt. Senators will find in the New York Times of this morning on the editorial page a statement that the present national debt, in terms of bonds and notes outstanding, is \$28,043,000,000. In addition to that we have provided recently for \$4,880,000,000. In addition to that we have pending the soldiers' adjusted-compensation legislation, the bill having passed the House and being not unlikely to pass here, which will call for at least \$2,000,000,000 more. We have before us the Bankhead bill, which calls for \$1,000,000,000 in contingent liabilities. The total is \$35,800,000,000 of debts either already incurred or about to be incurred.

In addition to that we have back of the situation in unexpended appropriations heretofore authorized, according to the statement of the President, \$1,500,000,000. The total indebtedness on direct liability of the Government as it stands, with this bill in view and the other bills which I have mentioned, will aggregate \$37,380,000,000, taking no note of \$5,000,000,000 or \$6,000,000,000 of contingent liabilities.

Mr. President, there is the situation. I do not think any Senator here will disagree with me that these are the terms of one of the gravest situations imaginable. During the Hoover administration and the Roosevelt administration we have increased or are about to increase our national debt from a low of \$16,000,000,000 to a high of \$38,000,000,000. There is an increase of \$22,000,000,000 added to the obligations of the American Government and the American people in the space of 5 years; and still we go on; and still it is proposed to pile Pelion upon Ossa in the way of bond issues. I do not think there is a Senator here but believes that when the present session of Congress shall adjourn the actual and the contingent liabilities of the Republic, of which we are the servants and the responsible guardians, will be very close to the figure of \$40,000,000,000.

This morning the Secretary of the Treasury warns us not to increase that debt.

If this proposed legislation shall be passed, we shall have opened the last door. One billion dollars for the tenant farmers of America means ultimately not less than \$6,000,000,000 for them. Any Senator can make the computation for himself. There are 3,000,000 tenant farmers. Two millions of them, say, will want to buy farms with Government money, and the statement is made that the cost will be \$3,000 each. Three thousand dollars each for 2,000,000 people is \$6,000,000,000; and we cannot deny them. This is a government—I hope it is—of equal rights to all and special privileges to none; and if we take one man out of tenancy, buy him 40 acres of land and a mule, in the old language of reconstruction days, give him a \$3,000 house and a farm, as one Senator, I shall not be able to look in the face any other man who has not had that benefit and refuse him the same right and the same privilege. If I am correct about that, we shall move out from that class into another class, and on and on until every man in America who is in need of a house and a home, a farm and a mule, or who is renting a property and wishes to become hopefully a landowner, can make the same demand in the same terms, and with the same justice, and with the same irresistible force, that we respond and do for him what we have done for his fellow citizens.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from North Carolina yield to the Senator from Florida?

Mr. BAILEY. I wish to yield, but I have only 15 minutes. I yield to the Senator.

Mr. FLETCHER. In estimating the public debt, and considering the appropriations for the Reconstruction Finance Corporation and the Public Works Administration, has the Senator considered that those appropriations have been used with which to make loans?

Mr. BAILEY. I mentioned the fact that there were some contingent liabilities, and I will agree about that. There are some recoverable assets. I do not know how much they will be; but I will assume that there are about \$4,000,000,000, perhaps, of recoverable assets. We may deduct that amount and still we shall have \$36,000,000,000 of national debt. I am perfectly willing to make that allowance.

In conclusion, Mr. President, let me say that we already have authorizations of \$500,000,000 for precisely the purpose contemplated by the pending bill. Why should we increase that amount by a billion dollars? The Senator from Nebraska [Mr. NORRIS] has just said that this sort of thing has been a failure in other countries, and he has also said that this sort of thing is necessarily an experiment. Why not confine ourselves to the \$500,000,000 already appropriated, create in this bill the mechanics for the execution of the plans under the \$500,000,000 appropriation already available, carry out that experiment, and see it through? If it shall succeed, if this scheme of things shall turn out to be satisfactory, then in the light of the financial situation we can make our final decision whether the Federal Government is going to take the place of the landowners and the landlords in the tenant system of the United States, become their guardian, their lessor, and their creditor—whether the Government will take their place and let them go their way.

The pending amendment strikes out the provision for the \$1,000,000,000 bond issue. It leaves the mechanics where they are. It leaves the \$500,000,000 available. I have offered it in the hope that we may at least limit our activities in this experiment to a cost of half a billion dollars.

Mr. VANDENBERG. Mr. President, before a vote is taken upon the pending amendment, I desire to submit to the Senate another motion, and I wish to state my reasons for so doing.

The adoption of the pending amendment manifestly would defeat the purpose of the bill as contemplated by its authorship. I dislike very much to legislate in this fashion. I prefer the alternative of adequate committee consideration and decision. I realize that my present opposition to the bill as a whole in its present unsatisfactory form invites the assumption that any motion I might make serving to return the bill to a committee perhaps might be interpreted as a strategic purpose to defeat the proposed legislation; but I feel so deeply on the subject that I am going to risk that misconstruction for the purpose of making a motion and a statement in connection with the motion.

The motion I shall make is to recommit the bill to the Committee on Agriculture and Forestry with instructions to hold further hearings and report back at the present session of the Congress. Thus there will be warrant for subsequent decision before this Congress adjourns. I make the parliamentary inquiry of the Chair whether that motion would be in order.

The PRESIDING OFFICER. The Chair is of the opinion that the motion would be in order.

Mr. VANDENBERG. Very well, Mr. President, I enter that motion, and I wish to speak briefly upon it.

It seems to me that, even from the viewpoint of those who have enthusiastic faith in this amazing new adventure, there ought to be a willingness to provide the Senate with an adequacy of information, which perfectly clearly is lacking at the present time. What information is lacking? What is the information which ought to be available to the Senate before it is asked to establish another billion-dollar credit on top of all the other gigantic expenditures already launched?

Here are some of the things which it seems to me any Senator ought to want to know—

Mr. CONNALLY. Mr. President, will the Senator yield? Mr. VANDENBERG. Very briefly. I have only 10 minutes, but I yield to the Senator.

Mr. CONNALLY. As I understand, the Senator wishes to recommit the bill, with instructions. What are the instructions?

Mr. VANDENBERG. To hold further hearings and report back during the present session.

Mr. CONNALLY. I congratulate the Senator on his statement that he does not believe in doing things indirectly; he believes in the direct course; he wishes to come out in the open. What does the Senator desire the committee to do with the bill? How does he wish to have it treat the bill?

Mr. VANDENBERG. I am about to tell the Senator.

First, I think any committee which is proposing to ask the Senate to embark upon a \$1,000,000,000 adventure, with added implications of unknown size, should have the testimony of the Treasury Department of the United States respecting the effect of another billion-dollar extension of the already straining public credit. Exhibit A: I should want the committee, and I think the Senate should want the committee, to have, as at least one witness, a spokesman officially for the Treasury Department of the United States in respect to the fiscal phase of the bill; and I call attention to the fact that not a single witness who was heard by the committee represented the Treasury Department, or gave a moment's testimony or consideration regarding the effect of this thing upon the public credit.

Second. I call attention to the fact that in the hearings even the Secretary of Agriculture, speaking at page 5 of the hearings, specifically stated as follows:

This legislation has not yet been passed upon or cleared by the Bureau of the Budget as required by Budget Circular No. 49, so that I do not know what the relationship of the expenditures contemplated will be to the financial program of the President.

I submit, in all good faith, that another billion-dollar proposal should have the benefit of a completed report in the aspect to which the Secretary of Agriculture himself referred before the Senate is asked to approve it. Surely we are not so numb to mathematics and to our fiscal responsibilities that a billion dollars no longer gives us pause.

Third. I submit that there should be testimony respecting the uses which may be contemplated by the President and his lieutenants under the previous commitment of \$500,000,000 in the \$5,000,000,000 work-relief bill, specifically earmarked for rural rehabilitation. I submit that there should be testimony which will advise the Senate officially what may be already contemplated by way of an experiment in making the tenant into a proprietor farmer.

I submit that this is rationally required before the Senate can be asked to render a completely intelligent answer to a proposal to build upon that base with another billion-dollar dedication to precisely the same purpose. We have not a word of testimony upon this phase of the necessity.

I submit furthermore, Mr. President, that when the Senator from Nebraska [Mr. NORRIS] reads to us this morning a letter indicating a failure of plans of this tenancy nature when attempted in other countries—and certainly that Senator has demonstrated himself to be completely friendly to the pending bill—and when he asserts that Dr. Mead, an official of our own Government, is available as a witness to advise us and to illuminate us in respect to the thing contemplated, the very least information which the Senate ought to have, before it launches a great new undertaking of this character, involving a minimum of a billion dollars, the very minimum of information that ought to come to the Senate officially through its committee, is testimony from sources of that character. Let us look before we leap. Let us consult at least the minimums of prudence.

I call attention, furthermore, to the frank and revealing statement of the Chairman of the Committee on Agriculture and Forestry himself, uttered upon the floor of the Senate yesterday, and I quote him from page 6126 of the Con-

GRESSIONAL RECORD. The Senator from South Carolina [Mr. SMITH] said:

I frankly admit that I have not had an opportunity to study this bill textually and understand thoroughly the purport of its different terms and provisions.

I quote him further, as he was about to vote for the previous motion to recommit:

Mr. President, let me say, in conclusion, that I am going to vote to recommit this bill, not for the purpose of killing it, but for the purpose of affording every member of the Committee on Agriculture and Forestry an opportunity to study the bill and to bring back something which will be helpful to the agricultural interests and not be a gift to a certain class.

I emphasize the fact that we have the testimony of the chairman of the committee from which this bill came to us, the testimony of the chairman of the committee, frankly admitting that he had not had an opportunity adequately to study the bill textually and to understand it. Can it be argued that the Senate has laid an adequate foundation for such novel and far-reaching and expensive legislation in the absence of so much essential information and an opportunity to probe all the consequences and implications? Is this the way to serve our stewardship?

Mr. President, in consideration of what seems to me to be elementary prudence, if the Senate is to have the information upon which it may be justified in establishing such a new billion-dollar adventure, I care not how nobly meditated, I submit that a recommitment, with instructions to report during the present session, is the proper procedure. It may produce a bill which will have written into it, among other things, the protection which it is now universally conceded is necessary if the bill is to be administered without discrimination, and with minimum regard for the rights of the Treasury.

We are told that we can perfect it by amendment on the floor. I have asked several Senators this morning if they do not approach this legislation and its final approval with some trepidation, and almost invariably they have replied "Yes; we are hopeful, however, that it can be perfected and protected on the floor." I fear they lean on a broken reed.

I do not think it is fair to the legislation itself to attempt to perfect it and protect it on the floor. Far be it from me to attempt to speak in that attitude, because I would want no one to misunderstand my own relationship to the bill as it now impends, but for the sake of the bill itself, as well as for the sake of a defensible verdict by the Senate, I think the motion to recommit as made ought to be passed. Let there be a record which discloses some Senate diligence ahead of Senate judgments. Let this not be wholly a blind adventure.

Mr. CONNALLY. Mr. President—

The PRESIDING OFFICER. The Senator from Texas.

Mr. CONNALLY. I rise to ask the Senator from Michigan a question.

The PRESIDING OFFICER. The time of the Senator from Michigan on his motion has expired. Does the Senator from Texas take the floor in his own time?

Mr. CONNALLY. I take the floor in my own right.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CONNALLY. Mr. President, I understood the Senator at the beginning of his remarks to say that he opposed the bill.

Mr. VANDENBERG. That is correct.

Mr. CONNALLY. So he would not be for it even if the Budget should recommend in favor of it.

Mr. VANDENBERG. I am unable to answer the Senator's question as to whether I will be for a bill which is not as yet reported to the Senate.

Mr. CONNALLY. But there is one now before the Senate.

Mr. VANDENBERG. And I am opposed to it.

Mr. CONNALLY. Why not go on and vote it down and kill it, if the Senator is against it?

Mr. VANDENBERG. I shall, if that is the only recourse.

Mr. CONNALLY. The Senator aroused my utmost admiration by his statement at the beginning of his remarks that

he did not believe in indirect methods; he meets issues courageously; he meets them at the threshold and determines them. He is opposed to the bill; it is before us; soon we shall come to a vote. So why indirectly assassinate it by sending it back to the committee?

Mr. VANDENBERG. That is the Senator's construction of the motion, and he may make the most of it. The motion speaks for itself, and I think I have given ample reasons why the motion should be sustained.

Mr. CONNALLY. Mr. President, that is what I wish to discuss. The Senator from Michigan is against the bill, and he believes in meeting that issue. He wants the bill sent back to the committee. For what reason? So that they can get a report from the Budget Bureau. He wants to know what the Budget Bureau thinks about it.

Mr. President, I do not care anything about what the Budget Bureau thinks about matters of legislation. If the Budget Bureau wants to send us messages about the finances, that is its business; but the Senate and House of Representatives are perfectly capable of legislating without telephoning the Budget Director as to whether we can pass this bill or that bill. But when the Budget Bureau telephones back here that it is for the bill, the Senator from Michigan will still be against it.

I submit, Mr. President and Senators, that this is an indirect way of attempting to kill the bill. Instead of meeting the enemy at the gate and hitting him on the nose, the Senator from Michigan wants to toll him off down the alley and hit him with a blackjack while he is hidden behind a corner in the dark.

We voted on one motion to recommit. What is the sense of having another motion to recommit? If I were against the bill, I would say "no" when the roll is called.

The Senator from Michigan is not going to pay any attention to the Budget. He is going to vote for the payment of the soldiers' bonus immediately, in full, and everybody knows that the Budget Bureau is against that.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. The Senator has entirely misstated my position, as usual. [Laughter.]

Mr. CONNALLY. The Senator can enlighten us by telling us whether he is for it or not.

Mr. VANDENBERG. The Senator from Michigan has always opposed the immediate payment of the bonus, and will continue to oppose either the Patman or the Vinson bill.

Mr. CONNALLY. I am very glad to have the Senator's statement on that subject.

Mr. VANDENBERG. The Senator's statements are equally plain on most of the other matters, as the Senator from Texas would find if in good faith he would undertake their interpretation.

Mr. CONNALLY. I beg the Senator's pardon. I try to keep up with the actions of all the eminent men of the country, but at the present time there are so many eminent men from the Senate speaking on the radio, and in the forum here in Washington, who are addressing the country rather than the Senate, that it is a little difficult to keep up with their attitude on every question.

I earnestly and sincerely apologize to the Senator, however, for even intimating that he would probably vote for the bonus. I was misinformed, and I make public acknowledgement of my error. The Senator from Texas makes many errors; I am glad the Senator from Michigan makes none.

Mr. President, why can we not go ahead and vote on the pending bill and the amendments, and dispose of the measure? I do not think it ought to go back to the Committee on Agriculture and Forestry. We ought to meet these issues as they come forward, and dispose of them.

I cannot resist the temptation to state that, notwithstanding the solemn asseverations of the Senator from Michigan, his purpose is to kill the bill, in sending it back to the Committee on Agriculture and Forestry.

Mr. ROBINSON. Mr. President, I make the point of order that the Senate having voted on a motion to recommit this bill it is not now in order to make a second motion to recommit with instructions to report during the present session or before the end of the present session. I should like to be heard for just a moment on the point of order.

If any other rule were adopted than that which is implied in my point of order, it would mean that an unlimited number of motions to recommit a single bill might be made. In illustration, if the Senate voted down the pending motion to recommit, as it did vote down a motion to recommit yesterday, it would then clearly be in order, if it is in order now to move to recommit, to make another motion to recommit with a definite instruction to report incorporating a certain amendment. Then if the Senate should vote down that motion to recommit with instructions, a still further motion to recommit with instructions to incorporate another amendment could be made, and so on, to the end that an infinite number of motions to recommit might be made.

I have not had an opportunity for examining the precedents. It is my recollection, however, that the rule prevails in the body at the other end of the Capitol that only a single motion to recommit may be made. If that rule exists in the body at the other end of the Capitol—and it is in accord with the general rule of parliamentary law—it follows that the same rule should apply here unless there is something in the Senate rules which makes a different principle applicable. It is my judgment that there is nothing in the Senate rules which would warrant the submission to the Senate when a point of order is made of an indefinite number of motions to recommit.

The object of a motion to recommit is, of course, to give the Senate the advantage of further consideration by the committee.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield?

Mr. ROBINSON. I yield.

Mr. HARRISON. I rise merely to make the observation to the Senator from Arkansas that since the motion to recommit was voted on in the Senate there has been no change at all in the bill, as I understand. No amendment to it has been adopted.

Mr. ROBINSON. The motion to recommit does not, in my judgment, conform to the principle which underlies the rule relating to the subject.

Reference has been made by the Senator from Michigan [Mr. VANDENBERG], in support of his motion, to a statement made by the Chairman of the Committee on Agriculture and Forestry. The attitude of the chairman has been defined in his remarks made on the subject on the floor of the Senate. It is to be pointed out that the bill comes from the committee presided over by the Senator from South Carolina [Mr. SMITH]. There is nothing to indicate that the committee did not have ample and unlimited opportunity to consider this legislation. If we are to recommit measures pending in the Senate every time some Senator is opposed to the legislation, it is manifest that we will reach no conclusion concerning legislation. It is fair and it is just that the Senate have the opportunity to pass upon the question as to whether it wishes a Senate committee further to consider the proposal for legislation, but when it is once done it is not fair, and it is not just, in my opinion, to permit the submission of an indefinite number of motions to recommit, all of them coming from the opponents of the legislation.

Mr. McNARY. Mr. President, I do not think there is sufficient doubt concerning this matter to cause any considerable discussion. The statement made by the Senator from Arkansas is largely academic and applies to a condition wholly different from the one which obtains at this time.

Of course, it would be improper, Mr. President, to renew a motion to recommit a bill to a committee if there had been no change in the situation between the time the first motion was disposed of and the time the second motion

was made. But there has been a change in the condition and character of the parliamentary situation. When the motion to recommit was made yesterday there were no instructions appended to that motion. It was simply a motion to recommit to the committee having jurisdiction, namely, the Committee on Agriculture and Forestry. The motion now pending and made by the able Senator from Michigan is to recommit with instructions to report the bill at this session of the Congress; which is a wholly different motion, which involves a change in the parliamentary situation, and is not in conflict with nor is it prohibited by reason of the disposition of the first motion to recommit which was made.

Mr. President, no one is going to argue that one Member after another can follow with a motion exactly the same in its nature. That is the position of the Senator from Arkansas.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. McNARY. Certainly; I yield.

Mr. ROBINSON. Is it the Senator's position that, if the Senate should now vote down the motion of the Senator from Michigan to recommit with instructions to report before the end of the session, the same Senator or some other Senator could then make a motion to recommit with instructions to strike out section (d) on page 4 or some other section in the bill?

Mr. ROBINSON. Why "Certainly not"?

Mr. McNARY. Such a motion would be wholly different from the proposal now made. It is not necessary to discuss a moot proposition of that kind. I should say offhand that such a motion probably would not be in order. The motion referred to by the Senator from Arkansas is to recommit with instructions to modify a particular provision of the bill. That is not the point involved at all. Yesterday the question parliamentarily was, Shall the bill be recommitted to the committee having jurisdiction? That motion failed by a few votes. The motion at this time is to recommit to that committee for the purpose of study and a new report at the present session of Congress. There is a clear distinction between the two motions. The first one made would place the bill with the committee. The committee then could do as it pleased. The pending motion contemplates action by the committee if the bill should be recommitted, and again to report it to the Senate. In the present status, that is one proposition which, in my opinion, clearly entitles this motion to be addressed to and to be considered by the Senate.

Another exception to the rule is that when a bill has been modified by amendment or motion of some kind it is then in a new garb and the same motion will apply.

Mr. ROBINSON. Mr. President, will the Senator yield further?

Mr. McNARY. I yield.

Mr. ROBINSON. The logic of the Senator's statement, as I now understand it, is that if the Senate should vote down the motion to recommit and an amendment should subsequently be offered and agreed to, it would then be in order to make another motion to recommit.

Mr. McNARY. That is my position.

Mr. ROBINSON. And so on. So if 100 amendments were offered to this bill and agreed to, after each amendment had been incorporated in the bill by a vote of the Senate, a motion to recommit would lie?

Mr. McNARY. Certainly.

Mr. ROBINSON. Mr. President, if the Senator—

Mr. McNARY. Mr. President, I have the floor, and I will not yield for an argument.

Mr. ROBINSON. Very well, Mr. President. I thank the Senator for having yielded. I thought the Senator had yielded.

Mr. McNARY. I had yielded for a question, and always do so courteously, but not for the Senator to make a speech in my time. The reason is very obvious.

Mr. ROBINSON. I have no feeling about the matter. I thank the Senator for yielding.

Mr. McNARY. I have no feeling other than the one of being very positive in my assertion.

Mr. President, there are two positions, I maintain, which I specify as follows: When a motion is made to recommit, enlarged over the original motion by including the direction to the committee that it shall report back to the Senate during the present session, that enlargement of the motion makes it fit and pertinent at this time. The other parliamentary proposition is that whenever a bill is modified by an amendment of any kind it then has changed its complexion, its nature, and its garb, and is then subject to a motion to recommit. Those two reasons sustain the proposition advanced by the Senator from Michigan.

The PRESIDING OFFICER (Mr. CLARK in the chair). May the Chair inquire of the Senator whether it is his contention that the status of the pending bill has been changed since the motion to recommit was voted down?

Mr. McNARY. I now am stating a proposition which I believe is well bottomed on parliamentary law, but I have not inquired of the Parliamentarian or the Chair whether the status has changed. That is a question which can be determined by the Chair by a question of the Secretary.

The PRESIDING OFFICER. The Chair is unable to find anything in the rules of the Senate which forbids the repetition of a motion to recommit. The Chair is personally in entire agreement with the Senator from Arkansas [Mr. ROBINSON] on the question of what the rules should be, but rule XV of the Senate provides that—

It shall be in order at any time before the passage of any bill or resolution to move its commitment.

The rule of the Senate is essentially different from that of the House of Representatives referred to by the Senator from Arkansas. In that case it is provided specifically in the rule that—

After the previous question shall have been ordered on a bill for final passage, one motion to recommit shall be in order.

Which is in derogation of the general parliamentary rule as to the previous question. However, in view of the explicit statement in Senate rule XV that—

It shall be in order at any time before the passage of any bill or resolution to move its commitment—

the Chair is constrained to overrule the point of order.

Mr. ROBINSON. Mr. President, permit me one brief statement. I concede that the motion to recommit may be made at any time. My point is that only a single motion can be made, and that the language of the Senate rule does not change the general rule of parliamentary law that a single motion, and only a single motion, to recommit may be made.

Mr. VANDENBERG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been previously ordered.

Mr. BANKHEAD. Mr. President, I understand the question is on the pending motion of the Senator from Michigan [Mr. VANDENBERG].

The PRESIDING OFFICER. That is correct, the Chair will state to the Senator from Alabama.

Mr. BANKHEAD. I wish to make a few remarks on the pending motion.

A few days ago we discussed the question of recommitment, and we have voted on it, and now from the enemies of the bill comes the same effort indirectly to defeat the bill.

The Senator from North Carolina [Mr. BAILEY] called the attention of the Senate to the testimony of the Secretary of the Treasury before the Finance Committee this morning. I am informed that the Secretary of the Treasury was discussing and opposing the bonus bill, but that he declined to give any expression upon the pending bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. KING. I think the Senator is not quite accurate—he was not present—in stating the position of the Secretary of the Treasury. The Secretary was there to present the views of the Treasury with respect to the effect of issuing

bonds, but he did suggest that in the event that one of the bills which was before the committee—

Mr. BANKHEAD. The bonus bill?

Mr. KING. Yes; the bonus bill—was passed, then he had a suggestion to make with respect to the sources of revenue by which the obligation might be met. He did not state, as I understood him, that he was opposed to the bonus, but he gave his views with respect to the effect which the issuing of bonds would have upon the credit of the Government.

Mr. BANKHEAD. What I am developing is that his statement was not made in opposition to the pending bill.

Mr. KING. With respect to the pending bill, he stated that he did not know anything about it; that it had not been referred to the Treasury, and he made no comment in respect to it.

Mr. LA FOLLETTE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. BANKHEAD. I yield.

Mr. LA FOLLETTE. My recollection is that the Secretary of the Treasury referred to the measure under consideration as a contingent liability and not a part of the Budget to which he was referring when he said that any additional appropriations or expenditures not estimated for in the Budget ought, in the opinion of the Treasury, to be accompanied by suitable increases in taxation to take care of them.

Mr. BANKHEAD. Mr. President, I have pointed out heretofore, and will undertake to do so again, that the proposed bond issue provided for by the pending bill against which the assault is being made contemplates that the bonds shall be issued not all at once, as is required under the bonus bill, and as is required, probably, in order to obtain money under the Work Relief Act, but shall be issued over a period of years.

The bill also provides that the bonds may be issued only with the approval of the Secretary of the Treasury; so that, whether his judgment is taken in advance or is taken from time to time, when it is proposed to issue the bonds, is entirely immaterial. The provision as to bonds as the bill stands is merely an authorization, the power being left in the administration, both in the President through the board, which is to be set up to control the proposed corporation, and in the hands of the Secretary of the Treasury, not to approve the bonds as they may be called for. So it is an entirely different situation from that which it has been sought to emphasize upon the Members of the Senate as an absolute present liability for a new billion-dollar bond issue. The Treasury must at all times, when it is sought to issue bonds under the bill, be consulted and must approve the issue from time to time.

It has been insisted on both sides of the Chamber that the \$500,000,000 allocation of the Work Relief Appropriation Act is sufficient, and the impression has been created or sought to be created that the \$500,000,000 appropriation is confined to rural rehabilitation. Any Senator who will examine the Work Relief Act will promptly find that that is a wrong impression. Five hundred million dollars is not appropriated solely for rural rehabilitation. The language is—

(b) rural rehabilitation and relief in stricken agricultural areas—

Such as those affected by drought, dust storms, and other conditions which bring about distress in agricultural sections—

and water conservation, transmountain water diversion, and irrigation and reclamation.

Thus we find a broad field not merely of temporary plans for rural rehabilitation, but along other lines.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. BANKHEAD. I yield.

Mr. BAILEY. The Senator from North Carolina, having read something in the nature of a title or introduction, will he read the text of the so-called "Russell amendment"?

Mr. BANKHEAD. I have read the rural rehabilitation provision which has been commented on by the Senator from North Carolina in his insistence that \$500,000,000 was already provided for rural rehabilitation.

Mr. BAILEY. But will the Senator read the text of the Russell amendment?

Mr. BANKHEAD. No; the Senator knows what it is.

Mr. BAILEY. I myself read it into the RECORD yesterday.

Mr. BANKHEAD. Very well; then, why does the Senator want it read again? That is a different subject entirely.

Mr. BAILEY. With all due respect to the Senator from Alabama—

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from North Carolina?

Mr. BANKHEAD. I do not yield. My time is too short for controversy over matters which we all understand.

Mr. BAILEY. Very well.

Mr. BANKHEAD. So there is no general provision in the Work Relief Act for \$500,000,000 limited to rural rehabilitation.

We know from published accounts, we know from general information, that various plans for drought-stricken areas, for water conservation in the West, for transmountain water diversion and irrigation and reclamation are all contemplated, and plans are being prepared for these various items, which will take the larger part of the \$500,000,000 appropriation.

I asserted here once before, and I again assert upon my responsibility as a Member of the Senate, that no more than the \$50,000,000 specified in the pending bill will be used for the purposes of the bill and under the bill. So we may disregard all insinuations or suggestions in regard to greater sums. I make that statement with authority.

Therefore, Mr. President, it is a question whether we leave in this bill the real heart of it, the bond-issue provision, which may be utilized, as I have stated from time to time, in the administration of the bill but at no time without the approval of the administration.

So I submit, Mr. President, that we ought to go forward with this bill, conclude the debate on it, and then either vote it up or vote it down.

Mr. ADAMS. Mr. President, the Senator from Alabama is in error as to the position of some of us as to the pending bill. I am among those who think that the \$500,000,000 appropriation in the Work Relief Act, if available, even if there were added to it the billion dollars proposed to be provided by the pending bill, would be utterly and wholly inadequate to accomplish the purpose contemplated.

If we are going to relieve the condition of tenancy in the United States it will require \$15,000,000,000. It will not be possible to perform such a work with \$500,000,000; it will not be possible to do it with \$1,000,000,000. There are nearly 3,000,000 tenants in this country, and if only \$3,000 were spent on each tenant, \$9,000,000,000 would be required. However, \$5,000, or even \$10,000, might be spent on each tenant, for there is no specification in that regard contained in the bill. The bill simply starts with a billion dollars, which will reach less than 10 percent of the tenants.

My objection primarily is that we are starting on a course which will lead us not into a billion dollars of expenditure but which will lead us into \$10,000,000,000 or \$15,000,000,000 of expenditure.

The Senator from North Carolina [Mr. BAILEY] discussed this morning the indebtedness of this country. With his characteristic caution, he understated the obligations of the Nation. The obligations of the Government, roughly, are as follows:

Twenty-eight and a half billion dollars of conceded Federal obligations, which are direct.

We have just authorized \$5,000,000,000 to be expended for relief purposes and work relief, an amount which can only be raised by added indebtedness; it is a potential indebtedness.

We have, roughly—and I am only dealing with rough figures—\$5,000,000,000 of unexpended appropriations, which

can only be provided and used by increasing our indebtedness.

We have a direct obligation of bonus certificates, due in 1945, but, notwithstanding, a direct obligation, of not less than \$2,000,000,000.

So, we are confronted with direct obligations of over \$40,000,000,000, and, in addition to that, we have indirect and contingent obligations amounting at least to \$5,000,000,000.

Yet we propose to start upon a course which will involve a total expenditure of not less than \$10,000,000,000. We cannot begin this program, Mr. President, and go into the State of the Senator from Alabama and take care of 5 or 10 percent of the tenants and then deny to the other 90 or 95 percent the same relief. Once we start on this program, we must go on with it.

The indirect obligations have a direct bearing. We are interested—or, at least, some of us are interested—in the credit of the United States. Some of us believe that if the credit of the United States shall be impaired it will destroy the landlords and the tenants, the merchants and the bankers, the professional men and the workmen. Our first obligation is to protect the national credit.

The national credit is indicated by what? By the ability of the Government to market its bonds. It matters not when a beginning is made to market a bond whether it is a direct or a contingent obligation. It consumes that much of the available investable money of the United States. In other words, \$40,000,000,000 of direct obligations consume \$40,000,000,000 of investable capital. If we issue \$1,000,000,000, \$5,000,000,000, \$10,000,000,000, or any other sum of indirect obligations, we take out of the market for Government bonds that much more money. This proposed issue of \$1,000,000,000, even assuming that every dollar of it shall be repaid in due course, will take out of the present market that much money.

Our banks today, as has been stated repeatedly, have over \$15,000,000,000 in their vaults and treasuries. We are imposing upon them relief bonds; we are imposing upon them other Government bonds. There is a limit. We have reached the point where the Federal indebtedness is nearly equal to the total deposits in all the banks.

There is another feature which disturbs me. When I came into the Senate I stood on the rostrum and took an oath to support the Constitution of the United States. That obligation I have regarded as sacred. My honest, deliberate judgment is that the pending bill is unconstitutional. There is a fundamental in the levying of taxes that they must be for a public purpose. The purpose of this bill is to appropriate money to buy farms for private individuals. That is not a public purpose and cannot be sustained under the Constitution of these United States. It is no answer to that question to say that the Congress has passed other unconstitutional measures.

Personally, I think we are starting upon a policy which, if pursued without some modifications, will lead us into national bankruptcy, national calamity, national catastrophe.

We speak of farm tenancy. Yes; it has been growing. Where has farm tenancy been growing most rapidly? In the finest agricultural areas of the land. If Senators will glance at the map upon their desks, they will find the highest percentage of tenancy in the finest agricultural areas of the United States. In my State the tenant is on the best land, not upon the poor land. I make no invidious comparison; but, if Senators will examine the map, they will find the lowest percentage of tenancy in the States which agriculturally are the least fertile. The States of Iowa and Illinois, for instance, among the finest of our agricultural States, have the highest rate of tenancy. That means something.

In my State, where sugar beets are raised, the tenant has a freedom of action. He may be called migratory, but he goes to the choice land and not to the poor land. The poor land cannot be rented.

We have roughly two classes of tenants, those who are not smart enough to maintain themselves on a farm, and

those who are too smart to undertake the burden of taxes and maintenance of the farm. In the beet areas in Colorado many of the best farms are operated by tenants. They are expert beet farmers. They know how to raise beets. They know that beets are raised upon a tract of land only 1 year in 3 or 1 year in 5. They rent a farm and raise beets this year on it, and next year they move on to another farm. They let the landlord pay the taxes and stand the depreciation while they move on. They are experts. The situation of every tenant is unfortunate. Colorado does have, as has every other State, unfortunates in the ranks of the tenants, but they are not all unfortunate.

I am concerned with the outcome. I think the bill should be recommitted. I think it is drawn in a way which is inconsistent within itself. It lacks detail. It lacks specifications as to its operation. To show the lack of care with which it was drafted, the author himself concedes that by one provision the land belonging to the corporation shall be taxed, while by another provision the land belonging to the Corporation shall not be taxed.

Mr. BANKHEAD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Alabama?

Mr. ADAMS. I yield.

Mr. BANKHEAD. May I say to the Senator that the provision that lands of the corporation shall not be taxed is the same provision as is contained in the Home Owners' Loan Act? The author had an amendment ready to submit when the bill came to the Senate making the purchased lands taxable.

Mr. ADAMS. The Senator concedes there are inconsistent provisions as to taxes as the bill came from the committee.

Mr. BANKHEAD. Yes; there was a conflict. The amendment was ready to be offered when the bill came before the Senate for consideration.

Mr. ADAMS. I have touched just a few of the points which have occurred to me. As the bill came first before the Senate I was very much impressed. I was distressed over the tenancy situation.

Mr. BAILEY. Mr. President—

Mr. ADAMS. I yield to the Senator from North Carolina.

Mr. BAILEY. Just a moment ago I asked leave to interrupt the Senator from Alabama [Mr. BANKHEAD] to read the existing law as contained in the Public Relief Act. The Senator from Alabama denied me that opportunity. I requested him to read it. He did not read it. I propose now to read it:

Funds made available by this joint resolution may be used, in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers. Such loans shall be made on such terms as the President shall prescribe and shall be repaid in equal annual installments, or in such other manner as the President may determine.

That is very clear. That gives the President power under existing legislation to appropriate from \$500,000,000 to \$1,000,000,000 for the precise purposes contemplated by the pending bill.

The PRESIDING OFFICER. The time of the Senator from Colorado on the amendment has expired.

Mr. ADAMS. I have some time on the bill?

The PRESIDING OFFICER. The Senator has 15 minutes on the bill.

Mr. ADAMS. Mr. President, those who sponsor the bill have indicated a lack of confidence in their own bill. They say it is a permissive bill. They are unwilling to put behind the bill the declaration of Congress that the corporation shall be created, that its capital shall be paid in. They merely say the President "may" do it. If I were sponsoring a bill which I believed would solve the great tenancy problem of the country, I should put the positive obligation in the measure to create and to operate the corporation. The bill, according to the statements which have been made by its author and sponsors here, may or may not go into effect.

I am curious about one feature of the measure. The President may decide, if the bill passes, not to provide the \$50,000,000 to constitute its capital; but another section authorizes the corporation to issue bonds in the aggregate of not to exceed \$1,000,000,000. I am wondering if they could issue the \$1,000,000,000 of bonds even though they did not have the capital?

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. ADAMS. Certainly.

Mr. WALSH. I invite the Senator's attention to subsection (3) on page 8 which reads, in part:

To establish, make loans for, and to assist in the establishment of small individual farms and farm homes, together with the necessary buildings and other structures, livestock, equipment, implements and machinery, furnishings, supplies, and facilities.

Can the Senator define what is embraced by the words loans for "supplies and facilities"? Could not the \$1,000,000,000 be expended alone for supplies and facilities for tenant farmers?

Mr. ADAMS. I think there is no question about it. The language of the grant of power to the corporation contemplated under subsection (3) which the Senator mentions and subsection (4) authorizes not only the purchase of supplies, furnishings, and equipment, which may include victrolas, pianos, and automobiles clear up to the limit, but it authorizes the corporation to buy farms, to improve them, to develop them, and to maintain them. In other words, it proposes to put the Government in the farming business.

Mr. WALSH. "Facility" is defined in the dictionary as being "the quality of being easily performed, freedom from difficulty, ease"; so it is proposed to appropriate money to make it easy for people to live on the farm. I had supposed the greatness of our country, its wealth, and the progress which has been made had been accomplished through hard labor by the pioneers of the country who went out and by toil, by sacrifice, by surmounting extreme difficulties, built up the farming sections, and contributed materially to our prosperity, but not through "ease" or "facility" or being supplied with "furnishings, supplies, and facilities."

Mr. ADAMS. I will say to the Senator from Massachusetts that principle has been dominant, I venture to say, in the lives of the Members of this body. The men who have acquired the standing they were compelled to have in order to secure the assent of their people to come here reached it through hardships and through struggles. Those who have never had hardships, those who have never had opposition seldom, if ever, reach any high goal.

I have a couple of boys to whom I have been trying to teach that doctrine. I am trying to restrain myself, at times when I am able to do so, from making things easy for them. I am glad when they meet obstacles, glad when they meet difficulties. I have said to them, "You will never get anywhere along a smooth trail that somebody else has prepared for you"; and that is true of the farm situation.

Mr. BLACK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Alabama?

Mr. ADAMS. Certainly.

Mr. BLACK. Do I understand that the Senator is in accord with the philosophy expounded by the Senator from Massachusetts, which, if I understand it, is that it is wrong to remove unnecessary hardships in this country of progress?

Mr. ADAMS. Not at all. As a matter of fact, I will say to the senior Senator from Alabama that the problem with which we are confronted today, in the richest land upon the globe, is that we are at the same instant curtailing the production of food and feeding hungry people. In other words, we have demonstrated the failure, or at least the inefficiency, of our political and economic system. I think this measure, however, is not a remedial measure. I think we have failed in reaching the remedy. I say to the Senator from Alabama that I wish every man could own his farm,

but I am unable to see that it is the obligation of the Government of the United States to provide him with a farm.

Mr. BLACK rose.

Mr. ADAMS. Let me proceed.

I heard over the radio a few nights ago a gentleman who is said to be campaigning for the office of President of the United States. He was promising every man in the land a \$5,000 home; he was promising every man a \$2,500 income—a fine thing—he was promising every man an automobile and a radio. He was going to divide the wealth. We are following that gentleman's plan. We are starting out to provide every man with a farm, with equipment, with supplies, with facilities. We have already, in a preceding bill at this session, guaranteed every man a job.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. BLACK. I call the Senator's attention to the fact that the Home Owners' Loan Corporation Act, which was intended to benefit people in the cities all over the Nation, and which, as I recall, passed by practically a unanimous vote, provided not only for making easier the life of the city man in his home and providing him additional facilities, but, as operated, it has actually done so. It has operated in such a way as to enable him to have his home painted, to provide better heating facilities, to provide other facilities to add to the comfort and happiness of the man in the city. I believe the Senator agrees that that was a good law, does he not?

Mr. ADAMS. I will say to the Senator from Alabama that the Home Owners' Loan Corporation Act has done more to put this land on its feet than any other enactment or any other process of the Government save those which put the banking system on its feet.

Mr. BLACK. Then, may I ask the Senator a further question? He represents a State which contains some wonderful agricultural sections.

Mr. ADAMS. I really come from an agricultural State.

Mr. BLACK. I have been over much of that State, and have been impressed by the beauties of the farming sections, by the vast irrigation streams I saw, very frequently financed by the Federal Government.

Mr. ADAMS. No; the Senator has not seen much of that.

Mr. BLACK. Who financed them?

Mr. ADAMS. The farmers under the ditches.

Mr. BLACK. Yes; they financed them under plans providing Government money throughout the West.

Mr. ADAMS. No; not in my State—two very small areas only.

Mr. BLACK. The Senator says he believes the Home Owners' Loan Corporation has done a great work, and has added to the home facilities of the man who lives in the city. Is there any reason why the humblest, poorest class of American farmers should be held up to ridicule by reason of the fact that we desire to supply them some of the same facilities we have given to those who dwell in the cities?

Mr. ADAMS. In the first instance, I may say to the Senator from Alabama that no man I have heard on this floor or elsewhere has sought to hold anyone up to ridicule because of his financial situation.

Mr. BLACK rose.

Mr. ADAMS. I will not yield further at this point.

Mr. BLACK. Very well.

The PRESIDING OFFICER. The Senator from Colorado declines to yield further.

Mr. ADAMS. There is no one who has more sympathy than have I for the tenant who is in distress; but it is sought to assimilate the Home Owners' Loan Corporation Act with this bill. If Senators wish to reach a parallel, let them pass a bill providing that the Government shall finance the purchase or the building of a home for every man who does not have a home. The operations of the Home Owners' Loan Corporation run parallel to the operations of the Federal land bank, which provides loans to farmers to relieve them from economic distress due to indebtedness. This bill does not do that. This is intended as a plan to purchase farms

for those who are now farmless, or, at least, who are tenants upon farms. The Home Owners' Loan Corporation does not attempt to provide a home for every man who does not own a home, but merely to take care of those in financial distress and who have an equity in a home through the investment of earnings or savings.

Mr. BLACK. By providing facilities; does it not?

Mr. ADAMS. It does not even take care of those who are able to carry their mortgages, but has exacted of applicants that they must show a distressed condition in order to take advantage of it. That corporation has been limited to that field. There is practically no limit to this bill, I will say to the Senator from Alabama. Under this bill we are not only taking care of the tenants of whom the Senator speaks, but we are bringing within it some millions of farm laborers who are just as much entitled to help. Once we start upon the program of providing a farm at Government expense for every man who wants a farm, there is no limit to the obligations the Government will incur. In my judgment, by such a course, we shall destroy the financial credit of our country, and if we do that we shall destroy the tenant, we shall destroy the farm owner, we shall destroy the home owner and our country.

Mr. BANKHEAD. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Alabama?

Mr. ADAMS. Yes, sir.

Mr. BANKHEAD. I assume the Senator realizes that there are about \$20,000,000,000 of mortgages on urban homes.

Mr. ADAMS. Slightly more than that.

Mr. BANKHEAD. More than that. When the Home Owners' Loan Corporation bill was before the Senate, did the Senator make that argument? When we proposed to appropriate the original \$2,000,000,000, did he argue that it was leading to a \$20,000,000,000 appropriation, and therefore did he vote against the original proposition?

Mr. ADAMS. I did not.

Mr. BANKHEAD. Why does not the Senator apply that rule here?

Mr. ADAMS. The reason was that it was not an applicable argument. As a matter of fact, we were seeking to relieve the home owner who was in distress by reason of economic conditions, and who could not carry his mortgage; and with the addition of the bill which the Senator from Ohio [Mr. BULKLEY] has had passed, and for which I voted, we are going to take care practically of the remainder of those who need help.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. ADAMS. Gladly.

Mr. WALSH. Is it not a fact that when a man owns a home, and is in distress, he can borrow only 80 percent of the value of the home?

Mr. ADAMS. That is correct.

Mr. WALSH. While under this bill, where a person has nothing in the way of security, he gets everything—land, building, equipment, supplies, everything—and is expected to pay back ultimately to the Government the value of the entire investment. It is an entirely different proposition from loaning a man 80 percent of what he is worth.

Mr. ADAMS. I think the statement of the Senator is entirely correct.

Now, just one other statement of fact with reference to farm tenancy: The Senator from Iowa [Mr. MURPHY] had a pamphlet yesterday as to tenancy in Iowa. It showed, for what it may be worth, that there had been a decline in foreclosures in Iowa since 1932 to 1933 and 1934; but of the foreclosures in 1934, 67 percent of them were by insurance companies, 20 percent by Government agencies, and I think 16 percent by banks.

Arguments have been made here about grasping landlords and those who are seeking to make all farmers tenants. I think the Senate is quite familiar with the attitude of insurance companies. They are becoming unwilling land-

lords. They are involuntary landowners; and if any tenant, or anybody who is a competent farmer can give any assurance of repayment, nothing will so much delight the life-insurance companies as to make a sale to him of some of the foreclosed properties.

Mr. GLASS. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired. The question is on the motion of the Senator from Michigan [Mr. VANDENBERG] to recommit the bill with instructions.

Mr. VANDENBERG. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LOGAN (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the junior Senator from Wyoming [Mr. O'MAHONEY], and vote "nay."

The roll call was concluded.

Mr. DIETERICH. I desire to announce the unavoidable absence of my colleague [Mr. LEWIS]. I understand he is paired on this question with the Senator from Delaware [Mr. HASTINGS]. If my colleague [Mr. LEWIS] were present and voting, he would vote "nay." If the Senator from Delaware [Mr. HASTINGS] were present and voting, he would vote "yea."

Mr. RUSSELL. My colleague, the senior Senator from Georgia [Mr. GEORGE], is unavoidably absent. On this question he is paired with the senior Senator from Nevada [Mr. PITTMAN]. If my colleague [Mr. GEORGE] were present, he would vote "nay", and I understand that if the Senator from Nevada [Mr. PITTMAN] were present he would vote "yea."

Mr. AUSTIN. I desire to announce that the Senator from South Dakota [Mr. NORBECK] is necessarily absent.

Mr. ROBINSON. I regret to announce that the Senator from Connecticut [Mr. MALONEY] is detained from the Senate on account of illness.

I also wish to announce that there are necessarily detained from the Senate the Senator from Kentucky [Mr. BARKLEY], the Senator from Georgia [Mr. GEORGE], the Senator from Louisiana [Mr. LONG], the Senator from California [Mr. McADOO], the junior Senator from Nevada [Mr. McCARRAN], the senior Senator from Nevada [Mr. PITTMAN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. POPE], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS].

The result was announced—yeas 38, nays 42, as follows:

YEAS—38

Adams	Clark	Hale	Smith
Austin	Coolidge	Johnson	Steiwer
Bailey	Copeland	Keyes	Townsend
Barbour	Couzens	King	Truman
Borah	Dickinson	Loneragan	Tydings
Bulkeley	Duffy	McNary	Vandenberg
Burke	Gerry	Metcalf	Walsh
Byrd	Gibson	Moore	White
Capper	Glass	Radcliffe	
Carey	Gore	Schwellenbach	

NAYS—42

Ashurst	Costigan	Logan	Robinson
Bachman	Cutting	McGill	Russell
Bankhead	Dieterich	McKellar	Schall
Bilbo	Donahey	Minton	Sheppard
Black	Fletcher	Murphy	Shipstead
Bone	Frazier	Murray	Trammell
Brown	Guffey	Neely	Van Nuys
Bulow	Harrison	Norris	Wagner
Byrnes	Hatch	Nye	Wheeler
Caraway	Hayden	Overton	
Connally	La Follette	Reynolds	

NOT VOTING—15

Barkley	Lewis	McCarran	Pope
Davis	Long	Norbeck	Thomas, Okla.
George	Maloney	O'Mahoney	Thomas, Utah
Hastings	McAdoo	Pittman	

So Mr. VANDENBERG's motion to recommit the bill was rejected.

The PRESIDING OFFICER (Mr. MCGILL in the chair). The question is on agreeing to the amendment proposed by

the senior Senator from North Carolina [Mr. BAILEY], which will be stated.

The CHIEF CLERK. On page 4, after line 6, it is proposed to strike out the following:

The Corporation is authorized to issue bonds in an aggregate amount not to exceed \$1,000,000,000, which may be sold by the Corporation to obtain funds for carrying out the purposes of this act. Such bonds shall be in such forms and denominations, shall mature within such periods from the date of their issue, shall bear such rates of interest, shall be subject to such terms and conditions, and shall be issued in such manner and sold at such prices, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury. Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. The Secretary of the Treasury, in his discretion, is authorized to purchase any bonds of the Corporation issued under this subsection, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of the bonds of the Corporation shall be treated as public-debt transactions of the United States. The bonds issued by the Corporation under this subsection shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes), now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the Senator from New Mexico [Mr. CUTTING]. I transfer that pair to the junior Senator from Connecticut [Mr. MALONEY], and will vote. I vote "yea."

Mr. DIETERICH (when Mr. LEWIS' name was called). I wish to announce that my colleague [Mr. LEWIS] is necessarily detained from the Senate. I further wish to announce that he has a general pair with the Senator from Delaware [Mr. HASTINGS]; that if present, the Senator from Delaware would vote "yea" and the Senator from Illinois would vote "nay" on this question.

Mr. LOGAN (when his name was called). Making the same announcement as on the previous roll call, I feel free to vote. I vote "nay."

The roll call was concluded.

Mr. ROBINSON. I regret to announce that the Senator from Connecticut [Mr. MALONEY] is detained from the Senate on account of illness.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Washington [Mr. BONE], the Senator from Georgia [Mr. GEORGE], the Senator from Louisiana [Mr. LONG], the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. McCARRAN], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr. PITTMAN], the Senator from Idaho [Mr. POPE], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are necessarily detained from the Senate.

Mr. AUSTIN. I desire to announce that the Senator from Delaware [Mr. HASTINGS] is unavoidably absent.

Mr. RUSSELL. I desire to announce that my colleague the senior Senator from Georgia [Mr. GEORGE] is paired with the Senator from Nevada [Mr. PITTMAN]. If present, my colleague would vote "nay", and the Senator from Nevada would vote "yea."

The result was announced—yeas 29, nays 45, as follows:

## YEAS—29

Adams	Coolidge	King	Townsend
Austin	Dickinson	Loneran	Tydings
Bailey	Gerry	McNary	Vandenberg
Barbour	Gibson	Metcalf	Walsh
Bulkeley	Glass	Minton	White
Byrd	Gore	Radcliffe	
Carey	Hale	Smith	
Clark	Keyes	Steiwer	

## NAYS—45

Ashurst	Copeland	Logan	Schall
Bachman	Costigan	McGill	Schwollenbach
Bankhead	Dieterich	McKellar	Sheppard
Bilbo	Donahay	Moore	Shipstead
Black	Duffy	Murphy	Trammell
Brown	Fletcher	Neely	Truman
Bulow	Frazier	Norris	Van Nuys
Burke	Guffey	Nye	Wagner
Byrnes	Harrison	Overton	Wheeler
Capper	Hatch	Reynolds	
Caraway	Hayden	Robinson	
Connally	La Follette	Russell	

## NOT VOTING—21

Barkley	George	McAdoo	Pope
Bone	Hastings	McCarran	Thomas, Okla.
Borah	Johnson	Murray	Thomas, Utah
Couzens	Lewis	Norbeck	
Cutting	Long	O'Mahoney	
Davis	Maloney	Pittman	

So Mr. BAILEY's amendment was rejected.

Mr. LOGAN. Mr. President, yesterday I sent to the desk an amendment which I proposed to offer. I now call up the amendment and ask that it be disposed of at this time.

I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 11, after line 2, it is proposed to add the following:

No land purchased from the Corporation herein created up to the value of \$2,500 shall ever be encumbered with any lien or obligation, either statutory or contractual. Such land shall not be subject to any debt, or debts, of the owner, or obligation of any kind, and every conveyance, lease, or contract executed by the Corporation herein created shall contain a provision that the land shall forever remain free of all liens or encumbrances of whatever kind, and such provision shall be a covenant running with the land as long as it shall be used as a farm homestead. This provision shall not affect the lien of the Corporation for the money loaned for the purchase of the land, or equipment for the land.

Mr. LOGAN. Mr. President, I had hoped that the author of the pending bill, who has it in charge, would accept this amendment.

Mr. BANKHEAD. The amendment is entirely acceptable to me.

Mr. LOGAN. Then, unless some other Senator desires to discuss the amendment, I see no occasion to take up the time of the Senate in explaining it. The purpose of the amendment is to make sure that no land up to the value of \$2,500 shall ever have a lien placed upon it.

I will not further discuss the amendment at this time.

Mr. BAILEY. Mr. President, I should like to obtain some information on this amendment. Does the Senator intend that there shall be an exemption altogether from State and county taxes?

Mr. LOGAN. No; not at all. The property will be subject to taxation just the same as any other property, but in case of default the taxes will have to be collected out of the other property which the farmer owns. That is now the law in most of the States, as I understand. The amendment does not exempt the property from taxation; but taxes are a lien against all the property a man has, and the amendment provides that no statutory lien shall affect the title to the land. The purpose is to relieve a man from the fear which he has of being homeless in his old age. It is to protect him against his own improvidence. It is the same provision which is often put in trust deeds where some man conveys property to his son and is afraid the son will let it get away from him. The purpose of the amendment is, up to the extent of \$2,500, to insure the man who works out the necessary money to pay for the land that he will have a home, that he cannot be persuaded to encumber it, and that it shall not be sold for any purpose.

This is not an unusual provision. Several States have such provisions now, as I understand. We do not have such a provision in my State. The property will be subject to taxation, but it cannot be sold to satisfy a lien, even for taxes, under the language which is used in the amendment.

Mr. BAILEY. I desire to ask the Senator from Kentucky whether the land could be sold under the execution of a judgment?

Mr. LOGAN. It could not.

Mr. BAILEY. The amendment, then, would be in the nature of an exemption in bankruptcy?

Mr. LOGAN. The amendment simply provides that the land shall remain a haven of refuge, as it were. The amendment will add very materially to the value of the property. It will offer an incentive to a man to work to pay for his farm, because when he once has it paid for he cannot be inveigled into placing encumbrances upon it for any purpose. He may have a family, he may be bringing up boys and girls, and his children may reach the conclusion that he ought to buy an automobile for them, and he may not be able to withstand that temptation. Other people may come around, seeking to have him incur indebtedness and to mortgage his farm. This amendment simply prohibits his placing a mortgage upon the property at all, for any purpose.

Mr. BAILEY. Mr. President, I should like to ask the Senator if he really contemplates having the Government of the United States set up a system of land tenure in this country.

Mr. LOGAN. Not at all.

Mr. BAILEY. I have always thought that was a matter for the States.

Mr. LOGAN. The Government acquires the land, and it has the right to prescribe the terms upon which the land shall be sold. It has the power to put in the conveyance or in the contract a provision that "We will sell this land to you, but a part of the consideration, a part of the covenant, is that you shall never encumber the land." That is quite frequently done, as the Senator from North Carolina must be aware, in private business. I imagine the Senator has prepared many deeds and wills where real estate was transferred to someone with the condition that he could not encumber it.

Mr. BAILEY. I will say to the Senator that I would not do that in North Carolina, because I know that the first court I came into would set the deed aside. However, what I am now interested in is the proposition to have the Government of the United States, which never had any title to land in North Carolina except what it bought, set up a form of land tenure. The Government did have title in the territorial States. The proposition now seems to me to be one to enable the United States Government, by the purchase of land through a corporation, to set up a very peculiar form of land tenure. I should like the Senator to explain that feature.

Mr. LOGAN. I have no desire to take up the time of the Senate in explaining that which is so simple that anyone can understand it. If the Government owns the land, it has the power to prescribe the terms upon which it shall sell it. This amendment is for the protection of the poor and of the down-trodden. It is for the protection of those who are unable to protect themselves. Then, after they have purchased it, they ought to have the incentive that after they pay for the land it cannot be taken away from them. They ought not to go on fearing that in their old age they will have no place where they can stay.

There is not much occasion to try to help people unless we go the full limit in our efforts to help them. This is a simple matter. It merely gives a man a little home which cannot be taken away from him. We have homestead laws in all the States, but unfortunately some of the States allow the owners to place mortgages upon homesteads, and they are swept away.

Mr. SHIPSTEAD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Minnesota?

Mr. LOGAN. I yield.

Mr. SHIPSTEAD. Does the Senator believe that his amendment would bar the execution of a judgment rendered in a State court for debt?

Mr. LOGAN. Oh, yes; there is no question about that. We have a right to prescribe the terms upon which the land shall be sold; and if the owner prescribes the terms when land is sold, the buyer takes it with certain restrictions upon the title, with a certain covenant in the deed that it cannot be encumbered, and it cannot be subjected to his debts. If that can be done, then I say in my judgment that it is a valid restriction, and has always been held so.

Homesteads are exempt from execution in all the States, so far as I know. A man's homestead cannot be sold for his debts. However, since the Senator from Alabama [Mr. BANKHEAD] is satisfied to accept the amendment, I shall offer no further suggestions at this time.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1572) to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7054) to provide for the protection of land resources against soil erosion, and for other purposes.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 2367) to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, to engage in rural rehabilitation, and for other purposes.

Mr. DICKINSON. Mr. President, I wish to offer an amendment. On page 2, line 11, following the word "Senate", I move to strike out the period, insert a comma, and the words "and not more than two of said three members shall be members of the same political party."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Iowa.

Mr. BANKHEAD. Mr. President, I could not understand the amendment as read by the Senator from Iowa, and should like to have it stated at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "Senate", it is proposed to strike out the period and insert a comma and the following words:

And not more than two of said three members shall be members of the same political party.

Mr. DICKINSON. Mr. President, I think, in all fairness, there should be such a political division in the composition of the Board.

Mr. BANKHEAD. Mr. President, will the Senator yield to me?

Mr. DICKINSON. I yield.

Mr. BANKHEAD. I wish to say that I have no objection to the amendment.

Mr. DICKINSON. Very well. Then, I will not discuss it further.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Iowa.

The amendment was agreed to.

Mr. BYRNES. Mr. President, I move to strike out, on page 9, lines 19, 20, and 21. The language of subdivision (b) as it appears in the bill provides that—

(b) Preference shall be given applicants who are married or who have dependent families, have good moral character, and are experienced in farming and familiar with farm operations, or who are or recently were farmers, farm tenants, share-croppers, or farm laborers.

I submit to the Senate that that reads more like a statement of eligibility than a statement of preference. If it be true that preference is to be given to applicants who have good moral character, then it follows that when those of good moral character shall have been given preference, those of bad moral character shall then be given consideration. I do not believe it was ever intended that persons of bad moral character should participate in the benefits under the bill.

All the arguments in favor of the bill have been directed to the situation in regard to farm tenants and to the desire on the part of those of us who have voted to support the bill to promote the interest of those who are farm tenants, share-croppers, or farm laborers. I believe that if the expressions on the floor of the Senate are any indication of the purpose of those who are favorable to the pending bill, then my amendment should be adopted. If adopted, the provision would then read:

Preference shall be given applicants who are farm tenants, share-croppers, or farm laborers.

There is an additional reason for such an amendment. The senior Senator from Alabama made a statement yesterday in closing the argument before the vote on the motion to recommit—an excellent statement—in which he set forth the plight of the little fellow. The only way in which the little fellow can be helped is to give him preference under this bill. If we do not do that, if we say preference shall be given to all the other classes mentioned and to those experienced in farming and familiar with farming operations, no matter what kind of person the particular individual may be, and we then say "farm tenants, share-croppers, or farm laborers", we relegate to the last position in the list those whom we all want to help under the provisions of the bill. I believe the real intention of the friends of the bill would be served if the language should be changed so as to give preference to "farm tenants, share-croppers, or farm laborers", and all others who, under the language of the bill, are entitled to consideration would then receive consideration.

Mr. LA FOLLETTE. Mr. President—

Mr. BYRNES. I yield.

Mr. LA FOLLETTE. May I suggest to the Senator that he include the words "or recently were", for the simple reason that if the Senator's amendment as it is now drawn should be adopted it would preclude any assistance from the Farmers' Home Corporation to those who have been foreclosed and have lost their farms through misfortune.

Mr. BYRNES. Mr. President, as I understand the Senator, he would have the provision read "farm tenants, share-croppers, or farm laborers or those who have been farm tenants."

Mr. LA FOLLETTE. No; I suggest to the Senator that he modify his amendment so as to provide for striking out lines 19, 20, and 21 down to and including the word "are" in line 21, so that it would provide that "preference shall be given" at all times to those "who are or recently were farmers, farm tenants, share-croppers, or farm laborers."

Mr. BYRNES. Mr. President, my thought is that they would not be denied consideration. There is no question of eligibility. If subdivision (b) were entirely stricken out, they would all be entitled to consideration, and we would come back to the position several times urged by the Senator from Nebraska [Mr. NORRIS] that it would depend upon the administration of the proposed act. However, this section seeks to give preference; in doing so it enumerates farmers of all kinds, and then says, "farm tenants, share-croppers, or farm laborers."

The Senator's suggestion, if adopted, would mean that preference would be given to applicants who are farmers.

Therefore, no matter what kind of farmer he is, or how big a farmer he may have been, he is given first preference. My thought is that included as eligibles shall be farmers and those who have been farmers; put in such eligibility provision as the Senate may deem wise; but when it comes to giving preference, I think preference should be given to "farm tenants, share-croppers, or farm laborers", those who are most in need of help.

Mr. LA FOLLETTE. Mr. President, it seems to me that it is perfectly obvious that this bill cannot take care of all the farmers, farm tenants, share-croppers, or farm laborers in this country; and if the Senator's amendment should prevail, then it would result, in my judgment, in the exclusion of those who have lost their farms or who have been recently tenant farmers and who have been forced to leave the land due to economic conditions. It would be unjust to exclude them from consideration, because it seems to me in some instances their cause should appeal more to us than the cause of those who may as tenants perhaps today be successfully operating farms.

Mr. BAILEY. Mr. President, does the Senator think it would exclude all those who have been forced to forego farming by reason of control policies?

Mr. LA FOLLETTE. I believe that it would, Mr. President, because, as I said a moment ago, while the Senator from South Carolina contends that this is only a preference, we must recognize that the bill is not sufficient in its scope, so far as the appropriation is concerned, to include all the farm tenants or share-croppers or farm laborers, and therefore they are given preference. Thus those who have lost their farms due to any cause, the depression or otherwise, will be excluded, because the entire facilities of the bill, in my opinion, will be absorbed by those to whom the Senator's amendment would give preference, namely, "farm tenants, share-croppers, or farm laborers."

Mr. BYRNES. Mr. President, I do not agree with the statement of the Senator from Wisconsin that that would result by giving them preference, but if his statement be correct and that merely by providing that preference be given to "farm tenants, share-croppers, or farm laborers", the entire billion dollars would be consumed, then certainly there is all the more reason for modifying the language of the bill, because by the language as it now stands, in the clause referred to, preference is given, first, to those who are experienced in farming, who are familiar with farm operations, than to those who are farmers or recently were farmers; and consigned to the third position in the preference list are the farm tenants for whom we have been expressing our sympathy upon this floor.

I should like to ask the Senator from Alabama, who is in charge of the bill and who is its author, whether he would agree to the amendment if I should modify it so that it would read?—

Farm tenants, share-croppers, farm laborers, or those who are or recently were farmers.

Mr. BANKHEAD. I inquire of the Senator from Wisconsin [Mr. LA FOLLETTE] if that would meet his suggestion?

Mr. BYRNES. I think that we ought to legislate to help the farm tenants and share-croppers and farm laborers and that they should be placed first in the list of those who are given preference.

Mr. BANKHEAD. I have no objection to the amendment.

Mr. BYRNES. Then, I ask to modify my amendment as I have indicated.

Mr. BORAH. Mr. President, I inquire if the Senator from South Carolina proposes to strike out the words "married or who have dependent families"?

Mr. BYRNES. I propose to strike out lines 19, 20, and 21, on page 9, and the word "or" on line 22, and after the word "laborers" in line 22 to add the following: "or those who are or recently were farmers."

Mr. BORAH. The Senator desires to strike out the words "married or who have dependent families"?

Mr. BYRNES. Yes; to strike out those words from the statement of preference.

Mr. BORAH. I do not see why the Senator should wish to do that. Why should preference not be given to those who are married or who have dependent families and who have the other qualifications which are provided?

Mr. BYRNES. Mr. President, while I have no particular reason, I still do not believe that the purpose of this bill is actually to influence those who have been considering entering into wedlock and to insist that they must marry. I

have thought it was really a bill to help farm tenants and share croppers and farm laborers, whether they were married or unmarried. I think it important that we should try to relieve them, but I do not believe it so important to enter into another field of legislation.

Mr. BORAH. It is not designed, of course, to encourage matrimony, but in the case of two tenants, one of whom is married and has a dependent family, and the other is unmarried, I think the one who is married ought to be given preference over the one who is single and has no dependent family. I shall insist that that language be left in the bill. Really all we need to take out of the phraseology is "have good moral character", because that is a thing which really is not susceptible of demonstration in a matter of this kind. We do not know anything about it until it is too late.

If we say that "preference shall be given applicants who are married or who have dependent families, and are experienced in farming and familiar with farm operations", and so forth, it seems to me a wise provision. I cannot understand why we should not give preference to those who have dependent families. They ought to be considered and taken care of in preference to those who have not dependent families.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

Mr. BORAH. Mr. President, I insist that we have a vote on the question whether the words "married or who have dependent families" shall be stricken out.

Mr. BYRNES. If I should modify the amendment so as to strike out the words "have good moral character, and are experienced in farming", would the Senator object to it? He does not want to say, does he, how much of a family a man must have in order to have a dependent family?

Mr. BORAH. No; I am not undertaking to go that far.

Mr. BYRNES. Shall preference be given a man with five children over the man with only four children?

Mr. BORAH. No; but preference should be given him if he has a family over the man who has no family.

Mr. BYRNES. I wondered why the Senator had entered into the consideration of that question at all.

Mr. BORAH. So far as I am concerned it is not a subject of humor. I think where we find two good persons, either of whom may come within the law, and the one has a dependent family and the other has not, that fact ought to be taken into consideration if we are going to give any preference.

Mr. BYRNES. The Senator would have me modify the amendment to provide that preference shall be given farmers who are married or who have dependent families?

Mr. BORAH. Yes; I shall be satisfied with that.

Mr. BYRNES. Then, I desire to modify my amendment so as to cover the suggestion of the Senator from Idaho, by striking out the words "have good moral character, and are experienced in farming and familiar with farm operations, or who are or recently were farmers" and inserting the words I have heretofore indicated, "or those who are or recently were farmers", after the word "laborers", in line 22.

The PRESIDING OFFICER. The amendment of the Senator from South Carolina, as modified, will be stated.

The LEGISLATIVE CLERK. On page 9, line 18, in subparagraph (b), it is proposed to strike out the words "have good moral character, and are experienced in farming and familiar with farm operations, or who are or recently were farmers"; in line 22, after the word "share-croppers", to strike out the word "or"; and in line 22, after the word "laborers", to insert the words "or those who are or recently were farmers", so as to make the paragraph read:

(b) Preference shall be given applicants who are married or have dependent families, farm tenants, share-croppers, farm laborers, or who are or recently were farmers.

The amendment, as modified, was agreed to.

Mr. DICKINSON. Mr. President, I desire to offer an amendment and I should like to have the attention of the author of the bill as I state it. I have discussed it with the

author of the bill. On page 8, line 19, after the word "contracts", I move to strike out the period and insert a comma and the following words:

but no sale shall be made to one purchaser in excess of \$15,000.

Mr. BANKHEAD. Mr. President, I have talked but briefly with the Senator from Iowa about the amendment. There is more or less a difference of opinion about it. I am willing that it shall be put to a vote.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DICKINSON. I yield.

Mr. KING. I do not know that I understand the implication of the amendment. Is it relative to the sale of land by the Government in order to inaugurate any particular project, or is it a limitation upon the amount which may be expended in behalf of any one individual?

Mr. DICKINSON. It is a limitation on the amount which any one man can purchase from the Government under the terms of the bill. The purpose is to prevent one man buying several hundred thousand dollars worth of land purely as a matter of speculation. We want the land to be sold to farmers and to tenant farmers for homes. Therefore, we ought to limit the amount which the Government may sell to any one individual. In my judgment, \$15,000 should be the maximum price of a farm one purchaser could buy.

Mr. KING. I think that is entirely too generous. I do not favor any proposal which would permit the expenditure of \$15,000 in behalf of any one tenant farmer, or, for that matter, any one farmer. If we are spending as much as \$15,000 or \$10,000 in behalf of a tenant, who is to be advantaged by the measure, we are going to limit the number of tenants who may receive the benefits of the measure. When we consider that there are millions of persons who are tenants, and then propose permitting the expenditure of \$15,000 in behalf of one tenant, it is obvious the \$1,000,000,000 fund will soon be exhausted.

Mr. DICKINSON. Would it not be better to limit it to \$15,000 than to have the sky the limit?

Mr. KING. Oh, assuredly.

Mr. BLACK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Alabama?

Mr. DICKINSON. I yield.

Mr. BLACK. I do not agree it would be better to limit it to \$15,000 rather than to have no limitation at all. I am in thorough sympathy with the objective which the Senator seems to have. I do not favor the Government providing \$15,000 farms. That is all contrary to my conception of the purposes of the measure. I fear if we place a limitation of \$15,000 it might be expected and might be hoped that there would be loans made of \$15,000. I hope, if the Senate adopts any limitation, it shall certainly be smaller than \$15,000.

Mr. DICKINSON. Let me suggest that in certain sections of the country a farm unit, with any type of equipment whatever, is worth more than \$15,000. There are certain sections of the country where a farm unit may be worth only \$4,000 or \$5,000, but the average farm in the Mississippi Valley embraces from 120 to 160 acres of land. If that land is based on the usual price of approximately \$75 to \$100 an acre, the tenant farmers in that area ought to have a right to enjoy the same privileges from the Corporation as are to be given to the tenant in Alabama, who may buy a farm for only \$3,000.

Mr. BLACK. I am very glad to see the Senator has changed his mind since yesterday. As I recall, although I have not looked at the RECORD, he stated then it was all right for us to provide loans for tenant farmers down in Alabama. I understood he objected to such loans being supplied to the State of Iowa.

Mr. DICKINSON. I am opposed to the national socialization of land. I stated yesterday that I wished we could make this a one-State experiment; that I did not want to see the experiment tried in Iowa; that I would rather see it tried in some other State. I am opposed to this type of land financing. I am opposed to the bill. I am going to vote against

the passage of the bill. However, if the bill is going to be enacted into law, I believe nobody ought to be permitted to go into land speculation on Government money under the terms of the bill, which can be done under the bill as it is now drawn.

Mr. BLACK. I agree with the Senator, but I think the bill now provides a greater limitation than would be provided by the limitation of \$15,000. It provides a limitation on small farms. Am I to understand that the Senator favors having the bill provide for loans of as much as \$15,000 to a tenant or share-cropper to buy land?

Mr. DICKINSON. If we are not going to do that, it is not going to be of any benefit in what we know are the high-priced land areas of the country. It would be limited then to what may be called the "cheaper priced" lands.

Mr. BLACK. I understand the Senator wants the bill to provide for loans as great as \$15,000?

Mr. DICKINSON. No; I said not in excess of \$15,000.

Mr. MURPHY. Mr. President, I should like to ask the Senator from Alabama a question.

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Iowa yield to his colleague for that purpose?

Mr. DICKINSON. I yield for that purpose.

Mr. MURPHY. Is the Senator from Alabama under the impression that the bill will not reach areas where the price of land is high, as in Illinois, Indiana, Iowa, and eastern Nebraska?

Mr. BLACK. I am of the opinion that it will reach any section so as to provide a small farm for any individual tenant farmer or share-cropper or for the others who come within the scope of the bill. I do not know the exact value of lands in the various sections nor the type of farm which would be called a "small" farm. I certainly do not want the bill to provide a special limitation which would indicate that in sections where land can be purchased cheaply \$15,000 may be spent and more land acquired than a farmer actually needs. The objection I have is to placing in the bill a limitation which in effect is a permission to reach that amount, and which to that extent would counteract the provision in the bill which is intended to benefit small farmers.

That is the objection I have. I prefer to have the bill as it is, leaving it up to the administrators of the measure to determine what is a small farm in each particular locality rather than to invite the purchase of a large farm in a locality where land is cheap.

Mr. MURPHY. Mr. President, will the Senator permit a further question?

Mr. BLACK. I have not the floor, but I shall be glad to answer the question, with the permission of the Senator from Iowa [Mr. DICKINSON].

Mr. MURPHY. Is it the Senator's idea that a tenant farmer, under this bill should operate a commercially profitable farm, or is it merely the idea to provide a homestead for him and a small patch of ground where he can raise stuff for his table?

Mr. BLACK. Certainly I should want the farm to be a commercially profitable farm, but I should not want it to be so large that the farmer could transform himself from a tenant into an employer of 50 tenant farmers on land he had bought from the Government. That is my position. I have no objection to the farm being commercially profitable, and if it were not commercially profitable it would be a failure.

Mr. MURPHY. I desire to say to the Senator that the representation put forth in support of this bill by its proponents is that it will relieve tenancy. The percentage of tenancy in my State, as an approximation for the present year is 53 percent. In order to operate a farm commercially on a profitable basis, one would need a very minimum of 160 acres if he had a family. That land today is selling on the market for from \$75 to \$225 an acre. If this bill is going to relieve the tenantry situation in my State, it will involve a large expenditure of money for each individual tenant. If it is not going to reach him, it will reach only those who can buy farms in areas where farm lands are cheap.

I should like to know whether the objective here is to relieve the greatest number of tenants in the particular sections of the country where farm lands are cheap, or to reach out and relieve tenantry in States where farm lands are expensive.

Mr. BLACK. My idea is that the bill is intended to reach tenantry in every State in the Union but the objection I have to placing in the bill a limitation of \$15,000 is that to buy a small farm it might be necessary, as the Senator says, to pay \$10,000 or \$12,000 or some similar amount in one section of the country; but if we place in the bill a limitation in dollars such as this, it would seem to be a permissive invitation to spend \$15,000 on a farm where \$15,000 is not needed.

The bill as it is written has the flexibility which is necessary, in my judgment, properly to administer it so that it may fit every section of the country. If in one section, at the prevailing rate for farm land, a small farm would cost \$10,000, and if in another section a small farm would cost \$3,000, the administrators would go on that basis; but I do not want a standing invitation in the bill, by reason of the limitation of the amount, to go into a section where land may be cheap and purchase a great deal more land than the individual may need for a farm.

Mr. MURPHY. The Senator has covered my question.

Mr. WHEELER. Mr. President, if the Senator from Iowa will yield, my view about the matter is that a limitation of \$15,000 is too high. If we are going to buy a farm for a tenant, whether in Illinois or not, we ought not to loan Government money to the extent of \$15,000. A smaller farm, one on which a man, if he could get it on the right terms, could make a living in Illinois or Iowa, could be obtained for less than that.

I think the amount should be limited in the bill. I do not agree with the Senator from Alabama that we should leave it unlimited, and leave it entirely up to the discretion of some person in the Department to specify just what shall be done in different parts of a State or the country. There ought to be some top limit. I hope there will be some limitation; I think it will be very disastrous if we do not so provide, because we may have a good administrator today, but we may have a foolish administrator tomorrow or the next day.

Mr. BAILEY. Mr. President, I will say to the Senator that I have an amendment providing a limit of \$3,000.

Mr. WHEELER. I think a \$3,000 limit in many places would be all right; but in many other sections of the country, particularly in Illinois and Iowa, of which the Senator speaks, I think a \$3,000 limit would be too low.

Mr. BAILEY. Suppose we give the tenant \$3,000 for his land and \$2,000 for working capital: How would that work? Should he not have some working capital?

Mr. WHEELER. Yes; he should have some working capital.

Mr. BAILEY. Otherwise, how would a tenant start out?

Mr. WHEELER. I am not at all sure that in the high-priced areas of Iowa and Illinois land and substantial equipment could be purchased for \$3,000. I would rather have the opinions of the Senators from Iowa and Illinois with reference to that matter; but I am in favor of putting a top limitation in the bill.

Mr. BAILEY. But the Senator does favor an amendment that would give the farmers working capital?

Mr. WHEELER. Absolutely. I think they should have it.

Mr. BANKHEAD. Mr. President, I should like to have the view of the Senator from Montana on that subject, because I have no opposition to the proposal. I should like to have his ideas about what would be a reasonable limit that would be flexible.

Mr. WHEELER. My own view about the matter is that we should not go above \$10,000. I think that is plenty high enough. If a tenant farmer can have \$10,000 spent for him in the best sections of the country, he is a pretty lucky man to be started out in that way. As a matter of fact, if it could be worked out in Iowa and Illinois and those sections, I think even if he were limited to a lower amount than that,

even to \$7,500, I think we would be doing a great deal for that class of people, and I think they would be immensely pleased. I do not want to see the matter left to someone in the Department, and have some man go out and buy a big ranch in my State for fifteen or twenty thousand dollars and say that that is necessary in order to make a living on it; and I do not want to see some speculator in Illinois or Iowa go out and purchase big tracts of land for some of these people. Some limitation should be placed upon the amount. If that is not done, in my judgment, we shall have a scandal in connection with the matter in one of the departments. In order to safeguard this bill for the benefit of the people, I think it is extremely important that some reasonable limitation shall be placed in it.

Mr. GORE. Mr. President, I agree entirely with the Senator from Montana, that some limit or roof ought to be placed on this provision. I doubt if a tenant farmer, distressed as he is in these times, could ever hope to pay for a \$10,000 farm. It seems to me to lie beyond the range of possibility, no matter where the land is situated. That hope is fatuous. I should like to know if the Senator from Montana does not share that view.

Mr. KING. Mr. President, the Senator from Montana has stepped out of the Chamber.

Mr. GORE. I addressed my question to him. I did not know he had left the Chamber.

Mr. DICKINSON. Mr. President, when emphasis is put upon the limitation on the small individual farm, I call attention to the fact that subsection (3) on page 8 is not a limitation on the authority of subsection (5) on the same page.

The PRESIDING OFFICER (Mr. MOORE in the chair). The Senator from Iowa has spoken on this amendment. The question is on the amendment of the Senator from Iowa [Mr. DICKINSON].

Mr. KING. Mr. President, I inquire whether that amendment is subject to an amendment, or would that be an amendment in the third degree?

The PRESIDING OFFICER. No; an amendment to the amendment would be in order.

Mr. KING. I move to strike out the figures "\$15,000" and insert in lieu thereof "\$5,000." I have not the amendment before me, and I do not know the context, but I desire to amend it so that it will read "\$5,000." I ask to have the amendment to the amendment stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 8, line 19, after the word "contracts" and before the period, the pending amendment proposes to insert a comma and the words:

but no sale shall be made to one purchaser in excess of \$15,000.

It is now proposed to strike out "\$15,000" and to insert in lieu thereof "\$5,000."

Mr. DICKINSON. Mr. President, will the Senator from Utah yield?

Mr. KING. I yield for a question.

Mr. DICKINSON. The amendment offered by the Senator from Utah would limit the bill to what might be called "the cheap-land area." It would confer no benefits in what are known as the "highly cultivated areas." It could not possibly benefit those who deal with what may be called "high-priced vegetable lands" that are in small areas.

I have gone through the bill in an effort to find a way by which it could be limited according to acreage. That is not possible because of the different types of land in the various sections of the country.

Mr. GORE. Mr. President—

Mr. KING. I have the floor. I do not desire to yield for a speech by the Senator from Iowa. I yield to the Senator from Oklahoma.

Mr. GORE. I should like to ask the Senator from Iowa if he does not think that problem can be solved in this way:

I hold in my hand a census bulletin which indicates the average size of the farms in each State in the Union; and I have prepared an amendment which provides that no land sold to an individual tenant in pursuance of this measure

shall exceed the average acreage of farms in the State in which the farm is located. That is adapted to what has been worked out as an actual result of experience, necessity, and effort to make a living. It is, in a way, an automatic limitation, and certainly is the result of experience, better than any guess we might make. I should like to have the Senator's view on that subject.

Mr. KING. Mr. President, I am opposed to the amendment offered by the Senator from Iowa which authorizes the purchase of land for each beneficiary under the act up to \$15,000. Under the terms of the bill the amount paid for the land is not the entire amount which is to be advanced to the so-called "tenant purchaser." Several thousand dollars will be made available as working capital from which farming equipment and animals will be purchased. It is manifest, therefore, that at least \$20,000 will be the amount authorized to be expended in behalf of each person taking advantage of the provisions of this measure. Obviously a billion dollars will be wholly inadequate to meet the demand of the tenant farmers in the United States; indeed, billions of dollars will be required.

Mr. President, I doubt whether Senators appreciate the consequences of this bill, if it shall be enacted into law. They do not, in my opinion, understand its implications and the results which will follow, and perhaps the unsavory scandals which will arise in its administration. Under the bill a new bureau is created, and we already have scores of powerful bureaus, largely controlling the Government, as well as many of the activities of the people. The cost of Government is mounting, and the creation of new bureaus, with their enlarged personnel, will make additional demands upon the Treasury of the United States to be met ultimately by increasing the burdens of taxation resting upon the people.

Mr. President, measures similar to this have been attempted in various countries, but they have not met with success. It has been contended by some that the area devoted to agriculture has been too large, the number of farms too many and, of course, the number of persons engaged in farming in excess of all legitimate demands. During the past few years I have visited a number of States, among them New York, and learned that many tracts of land, which had been devoted to agricultural purposes, could be purchased from seven to ten and fifteen dollars per acre. Undoubtedly many farmers have attempted to cultivate more lands than they could efficiently control, and portions of their holdings were in many cases permitted to lie idle.

The present Secretary of Agriculture has attempted to restrict production for the purpose of increasing agricultural prices. It is not my purpose to examine the policy which he has pursued or which he is now advocating. I am of the opinion, however, that this policy has worked to the disadvantage of our country and injury to the farmers.

But recurring to the amendment under consideration. As I stated, I believe that it is unwise to provide for the expenditure of so large a sum as that contemplated by the amendment, and, for that reason, I am suggesting that the limit for the price of lands for individuals shall not exceed \$5,000. Even with that limitation, plus the amount which the bill provides may be expended for ancillary purposes, will total a sum greatly in excess of that anticipated by some and, indeed, so great as to arouse concern as to its effects upon the Treasury and its effects upon those who may insist upon availing themselves of the terms of the bill before us.

Mr. REYNOLDS. Mr. President, I have voted against every amendment that has been offered to the pending bill which is sponsored by the Senator from Alabama [Mr. BANKHEAD]. As a matter of fact, I expect to support the bill; I am going to vote for it; but I am thoroughly in accord with the remarks which have just been made by my distinguished friend from Utah [Mr. KING], for the reasons which I shall attempt to set forth.

The amount that is to be appropriated if the bill shall pass, and I believe it will pass, is going to be sufficient to

take care only of a certain number of people. It is our idea at this time, to provide by the bill for as many of the unfortunate people in the United States as we possibly can. Perhaps it will help and perhaps it will not, but nevertheless, I am going to vote for it because, in my opinion, in many instances, it will be helpful. But I believe with the Senator from Utah, that we shall unquestionably make a mistake if we permit those who administer the act, the corporation which will have charge of its funds, to make loans to the extent of \$15,000 per individual.

We are so thoroughly accustomed to speaking in terms of millions and billions that we have lost track of a mere pittance of a thousand dollars; but we must remember that even at this hour and during these times \$15,000 is a large sum of money, and that \$15,000 will buy much land.

I desire to give Senators an idea as to what could be bought with a small amount of money. I was over in the State of Maryland the other day, the home of my distinguished colleagues, Senator TYDINGS and Senator RADCLIFFE. Twenty-five miles from the place upon which I now stand, and along a modern concrete highway, in a splendid section of the State of Maryland, I was offered 1,800 acres of land at \$7 an acre. Think of that, 30 minutes from the Capital of the world, land for \$7 an acre?

Is it swamp land? Can it be cultivated? If it is cultivated, will it produce anything material? It will. I went out there to look at the land, because a friend of mine had expressed a desire to buy a place near Washington, and he wrote me about this place. I went over and looked at the land, and I found there a gentleman in the field, and not far distant there was an old tobacco barn. I drove over there with this man. He had been raising tobacco. He had a nice garden. It is land on which crops can be produced, and it is offered at \$7 an acre.

I say that I think this bill is good; at least, I am willing to have it tried. Shortly after the war, as Senators will remember, and as a matter of fact before the war, in my State, and particularly at the time when we were having what might be called a "textile boom" throughout the South, at a time when many of the plants were moving from the New England States to my State of North Carolina, to our sister State of South Carolina, and to our sister State of Georgia, thousands upon thousands of people who were working on farms as day laborers, thousands upon thousands who were tenant farmers, and many who had little farms, left their farms and went to Greenville, S. C., to Spartanburg, S. C., to Charlotte, N. C., to Newton, N. C., to Greensboro, N. C., and to Gastonia, N. C., which latter city, incidentally, is today the seat of the world's textile industry, I believe, since the Japanese have taken the business away from the Manchester mills of England. I am personally familiar with many instances where people went from their farms and took their children to work in the cotton mills, where the farmers themselves and their wives worked in the mills. That has been many years ago, and those living on farms have continued to leave the farms and go to the industrial centers.

There are in this country today in the industrial centers thousands upon thousands of single men, and married men with families, who are suffering because they have to pay house rent, which requires cash money every month; they have to pay for their heat, in the form of cash for coal and for wood when it is delivered at the door; they have to pay for their light, electric light or gas, or else they have no electric or gas light; they have to pay the water rent, or the water will be cut off; and every single particle of food they buy they have to pay cash for, because in this country, unfortunately, there is no longer the independent merchant who extends credit to those living within his trade confines.

So, Mr. President, many of those who now live in the industrial center, whether it be in New York, New Orleans, or Gastonia, N. C., are unfortunate because they have to pay cash for everything, and they have not the cash. They have to pay cash for the roof that keeps the rain from their heads; they have to pay cash for the fuel which they use to

cook their food; they have to pay cash for the water they drink; they have to pay cash for the food they buy.

I think one of the finest things about the proposed legislation is that it would provide the opportunity being sought by those thousands upon thousands of people who during the years past have gone from the farms into the industrial centers. Such individuals are found everywhere in the State of every Senator who now sits on this floor.

What is that opportunity, Mr. President? It is an opportunity to live, and to live fairly comfortably—at least to exist. Give a man an opportunity to buy some land, \$5,000 worth, and he will have an opportunity to live.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to my colleague.

Mr. BAILEY. The Senator is making a very moving appeal, and I believe he is telling the truth about the industrial workers of the country. I suggest that he present an amendment providing that we build homes for them.

Mr. REYNOLDS. This bill provides for the acquisition of homes by people, even though living in industrial centers, who have had experience in farming. That experience is required by the bill sponsored by the Senator from Alabama.

Mr. BAILEY. That is a provision of the bill; but why does not the Senator from North Carolina offer an amendment providing for building homes for industrial workers?

Mr. REYNOLDS. I say again, in answer to my colleague's inquiry, that the bill provides that loans may be made to people who have worked on the farm and who are now working on the farm whenever opportunity is presented. If I correctly recall the language of the bill, it provides that loans may be made only to those who have had experience in farming, and I believe the word "recently" is employed. I ask my colleague the Senator from Alabama [Mr. BANKHEAD], the author of this bill, if that is not correct? I have only skimmed through the bill. I have not had time to read it thoroughly.

Mr. BANKHEAD. I will ask the Senator to repeat his question.

Mr. REYNOLDS. It is my recollection of the bill that before an applicant will be considered for a loan it is necessary, of course, that he shall have had farming experience.

Mr. BANKHEAD. That is true.

Mr. REYNOLDS. And I went on to say—

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired. The question is on the amendment of the Senator from Utah [Mr. KING] to the amendment of the Senator from Iowa [Mr. DICKINSON].

Mr. REYNOLDS. Mr. President, I have 15 minutes on the bill.

The PRESIDING OFFICER. That is correct.

Mr. REYNOLDS. Why do I say that the bill applies to farmers, Mr. President? In answer to the inquiry directed to me by my colleague, I will say that those who have been going to industrial centers for years have been seeking an opportunity to get away from the industrial centers. They are wise in seeking to do that, for this reason: We have today about 15,000,000 unemployed persons; and this country, above all others in the world, will ever be faced with the problem of some unemployment. Why? Because we have machinized America. We can today put in one machine which will take the place of fifty or a hundred men. As a result of the inventions that are being perfected from day to day and year to year, we are eliminating the workers of the land and bringing about increased unemployment; and you may take it from me, if I may be permitted to use the every-day street parlance, that from now on we are always going to be faced in greater or less degree with unemployment.

Let us take the position of the man now living in an industrial center who has been a farmer. If we lend him \$5,000, and that \$5,000 is invested wisely, he buys himself land. He can build himself a little 2- or 3-room house. A man who is hard up and hungry and ragged is satisfied with anything to keep the cold from his body and the rain from his head, and his stomach filled with some good old greens

and fat meat. What can he do? Why, with \$5,000 he can buy as much land as any one man himself can till.

It is not the intent of this bill to buy property sufficient in area to permit the owner thereof to tenant-farm it out. That is what we are now endeavoring to get rid of. We are trying to get rid of the tenant farmer by giving an opportunity to a man to take care of himself, whether he be a present tenant farmer or whether he formerly tilled the land as a tenant farmer or as a farmer owner and went to an industrial center. Such a man is going to be in good shape to farm. With \$5,000 he can buy himself 40 or 50 acres of land. He can build a little three-room house. That is all he needs. He can use one room to cook in, another for sleeping quarters. He has a spring outside. He goes out there and takes with him the old gourd and fills it from the spring. He does not have to pay any water rent. He has his own house, and does not have to pay any house rent. He puts the axe on his shoulder, and steps over there to his little patch of wood and cuts down his fuel. He does not have to pay for any coal, or wood, or gas heat. He buys himself a good, old, kind-faced cow, and he milks her, or his wife milks her. He gets the milk, and makes therefrom his butter, and he gets cream, and skim milk; and with that skim milk he can feed some little pigs. He raises his pork, and buys no bacon. So he has bacon, his butter, his cream, his milk, his buttermilk; and there is nothing on earth better for a man to line his stomach with than greens from his garden and buttermilk from a good cow. [Laughter.]

Mr. President, in this bill we are not trying to take care of anybody who wants to spend \$15,000. Give any man \$5,000, and buy him therewith land, with a stream or a spring on it, and a little pasture and a patch of woods, and build him a cabin, and he has no expense. He has the advantage of the white-collar fellow who is living in the city. Why? Because the white-collar fellow who is living in the city has to spend all the money he can get to keep a clean collar and a clean shirt on himself and keep looking half-way decent. If he does not, he cannot get a job. Otherwise he will look like a failure. The fellow out in the country does not have to dress up. He has a good, clean place to sleep. He has good things to eat.

Any Senator who has ever done any gardening or farming, as has my friend the junior Senator from South Carolina [Mr. BYRNES], who is a neighbor of mine, knows that from 1 acre of land, intensively cultivated, a man can raise enough produce to feed a family of five. He can raise good fresh vegetables, spring onions, radishes, turnips, everything in the springtime, and then come along the nice, tender ears of corn; and there is nothing that anybody likes any better to stick his teeth into than that. That is living.

Mr. ROBINSON. Do not forget watermelon.

Mr. REYNOLDS. I forgot the watermelon, Mr. President. I am glad my friend the senior Senator from Arkansas suggested watermelon. I like watermelon. We all like watermelon, and cantaloups.

Mr. President, give those people that opportunity, and any man who has a family of children and a wife, and who wants to take care of them, if he will put his muscles to the wheel, can do it, because, as I started to say, a man can raise enough on 1 acre, if he intensively cultivates that acre, to keep his family with fresh vegetables in the spring and raise enough to live on.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Idaho?

Mr. REYNOLDS. I yield.

Mr. BORAH. The Senator's argument is altogether the most interesting argument made in favor of the bill. However, I wonder what would happen if, when such a man as he describes went out to feed his little pig, he found that the pig had been killed under the authority of the Secretary of Agriculture.

Mr. REYNOLDS. I will say in answer to the Senator from Idaho that I am sure that the owner of that property,

if he had a home at the time the order was given to kill 6,000,000 little pigs—was it not 6,000,000 that were slaughtered?—would have been heart-broken. I think little pigs are the cutest things on earth. [Laughter.] I remember that when I was a small boy I learned something about "one little pig went to market", and I have seen pictures of them from time to time. I know that man would have been heart-broken. I believe the time of the destruction of the pig is past, because pork has gone so high, as the Senator from Idaho knows, that the poor man cannot eat pork any more; so, therefore, we are proposing to give the poor man an opportunity to eat only that which the rich man now can afford to eat. We are proposing to give him \$5,000 with part of which he can buy 2 little pigs, and from those 2 little pigs—well, "pigs is pigs"! [Laughter.]

Mr. President, that is the opportunity presented to these people. The trouble with the farmers of this country, if I may be permitted to venture this statement, is that they have tried to cultivate too much land. It would have been better had they concentrated upon less land. We helped farmers on 500 acres in South Carolina, some on a thousand acres, and on ranches in the Western States, beyond the Mississippi River, and plantations with thousands upon thousands of acres.

Many Senators have visited Japan. Many have toured China and the countries of continental Europe. A big farm in Japan is no more than a couple of acres. A 5-acre farm is a rarity. It is a question of concentrating upon that, and giving people an opportunity to raise their greens, their beets, their milk.

By the way, Mr. President, I forgot the chickens. [Laughter.] With half a dozen hens and a rooster or two, a man can have plenty of eggs, fried chicken, and all that sort of thing. We are aiding those people who are seeking an opportunity to take care of themselves, Mr. President, and to make a living for their families. We are not seeking in this bill an opportunity to take care of those who want to spend a lot of the Government's money. The interest upon \$15,000 is a great deal of money. They will have to pay that interest. If they do not pay it they will lose the farm. So why entice a man to borrow \$15,000? Six percent interest on \$5,000 is \$300 a year, which is \$25 a month. He can surely make \$25 a month by producing commodities or seeking work in the neighborhood and in adjoining sections.

I want to thank the Senator from Utah for his remarks, which inspired that which I have had to say, and it will be a pleasure for me to vote for his amendment, which proposes to limit the amount which may be expended in any one case to \$5,000.

Mr. BANKHEAD. Mr. President, as I understand, the pending question is the amendment of the Senator from Utah [Mr. KING] to the amendment of the Senator from Iowa [Mr. DICKINSON].

The PRESIDING OFFICER. That is the pending question.

Mr. BANKHEAD. Before the Senate shall vote on that amendment I should like to say that I think it would be unfortunate to develop a controversy among the friends of the bill as to the limitations to be provided by the bill. It is conceded that in some sections one limit may be entirely adequate, while such a limit would not be adequate in certain States in the Middle West.

I have a formula here which I hope will be acceptable to all Senators. It seems to cover this question in a fair and reasonable way and to avoid, so far as possible, any abuses in connection with the price to be paid for a farm or the size of the farm. I think we all recognize that no absolute formula may be set out in the statute either as a limit on the exact amount to be loaned or as to the exact size of the farm, for the very simple reason that farming conditions vary in different sections of the country and the value of farm lands likewise varies. It is my ardent hope, as I have frequently stated, that this bill, if it shall become a law, shall have national application.

Mr. KING. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. KING. If \$15,000 shall be the maximum to be fixed as a limit for the purchase of land, then, as I understand the terms of the bill, homes are also to be constructed, and, furthermore, the Government must furnish the borrower with necessary capital, horses, cattle, and all the paraphernalia incident to the development of a farm, the result of which would be that a man might find himself in a position where his operations would cost \$15,000, \$20,000, or \$25,000 before he would be in a position to go forward with the development of the farm. Obviously, if we are fixing a limit so great as that—

Mr. BANKHEAD. I hope the Senator will not take my time while I am endeavoring to make a statement.

Mr. KING. Very well, I will not interrupt the Senator further.

Mr. BANKHEAD. Of course, I recognize that a very great number of farms could not be purchased at such a price, but I am going to read the formula which I have prepared, with a view of asking the Senate to vote down the amendment of the Senator from Utah, and then to accept what I shall propose as a substitute for the amendment offered by the Senator from Iowa.

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. DICKINSON. I suggest that the Senator send the amendment to the desk and have it read.

Mr. BANKHEAD. Very well; I have no objection to that. I am simply trying to make an adjustment that will be reasonable and at the same time will afford protection so far as this phase of the program is concerned.

The PRESIDING OFFICER. The clerk will read the proposed amendment of the Senator from Alabama.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

The Corporation shall limit the loan made to any purchaser to an amount that will provide a family-size farm in the section or area where the farm is located, not to exceed in cost the price of property of similar size and value in the same section or area.

Mr. BANKHEAD. I showed the amendment to the Senator from Iowa, but I do not know that he has had time to analyze it. However, it will be noted that this amendment limits the farm which may be purchased to a family-size farm, which means one sufficient in area to be operated by the immediate family without employing tenants or laborers.

Mr. JOHNSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from California?

Mr. BANKHEAD. I do.

Mr. JOHNSON. I hope the Senator will pardon my ignorance, but I do not quite grasp the significance of the words "a family-size farm." How large is such a farm?

Mr. BANKHEAD. It depends upon what is being planted, whether wheat or vegetables. It is a farm that is properly adjusted to the work of the immediate members of the family, whatever they may be producing.

Mr. JOHNSON. Does it depend upon the size of the family?

Mr. BANKHEAD. Of course, the size of the farm would naturally depend upon the size of the family for whom the farm is being bought or who are being given credit. The proposal would limit the size so as to avoid any excessive acreage or the purchase of large farms for the purpose of employing laborers or tenants or others in order to work it.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. BANKHEAD. I do not care to yield, Mr. President. I will yield later. The amendment would confine the program to an area that fits the family and is also adapted to the type of farming in which the family may be engaged, so that there will be some latitude in adjusting matters, for instance, to the wheat-producing sections as compared to the cotton-producing regions or vegetable-growing areas or trucking or fruit sections. The amendment is suggested in the hope that there may be some degree of flexibility and at the same time that reasonable restrictions and limita-

tions may be imposed on the size of the farm and the amount to be paid for it.

Mr. GORE. Mr. President, I should like to ask the Senator a question.

Mr. BANKHEAD. I yield.

Mr. GORE. I do not think a "family size" farm really proposes a proper standard. I think by the Senator's own admission a flexibility that would vary the size of the farm with the size of the family and the needs of the family would afford almost no standard at all. Would the Senator object to striking out the words "family-size farm" and inserting "It shall be limited to the average-sized farm in the States where the land purchased is located as determined by the Federal Census of 1930"?

Mr. BANKHEAD. I would have no objection to that, because I think the Senator sees what I am trying to accomplish.

Mr. GORE. That would fix a standard which has been worked out by actual experience.

Mr. BANKHEAD. Very well. Has the Senator the exact language of the amendment?

Mr. GORE. I will prepare that. It is not the pending question.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah [Mr. KING] to the amendment of the Senator from Iowa [Mr. DICKINSON].

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Iowa, as amended.

Mr. GORE. Mr. President, I have an amendment which will probably to some extent be dispensed with by the amendment to the amendment which was just adopted. As I understand, the last vote was on the amendment of the Senator from Utah to the pending amendment?

The PRESIDING OFFICER. The amendment of the Senator from Utah [Mr. KING] to the amendment of the Senator from Iowa [Mr. DICKINSON] was adopted.

Mr. GORE. I will offer my amendment as a substitute for the pending amendment.

The PRESIDING OFFICER. The Senator from Oklahoma offers an amendment in the nature of a substitute for the amendment of the Senator from Iowa, as amended. The proposed amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Loans and advances made hereunder to any one person seeking to avail himself of the provisions of this act shall in no case exceed in the aggregate \$3,200; nor shall the land sold to any person in pursuance of this act exceed in acreage the average farm in the State where such land is located, as determined by the Federal census taken in 1930; nor shall the purchase price of such land when so sold be in any case in excess of \$160 per acre, nor in excess of twice the assessed value of such land for the purposes of taxation in the year 1934, if then assessed for taxation, nor in excess of 50 percent above the price at which such land was sold, if sold at private sale since 1929, or the value at which it was mortgaged if mortgaged since said year.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma in the nature of a substitute for the amendment of the Senator from Iowa [Mr. DICKINSON] as amended.

Mr. McNARY. Mr. President, the interpretation of the amendment may be clear to the Senator from Oklahoma, but I confess inability to understand the situation. I suggest that the Senator explain his amendment. Particularly I should want to be informed with reference to the amount of money which may be loaned in order to purchase a farm and the size of the farm.

Mr. GORE. Mr. President, there are several points involved in this standard. The first relates to the amount which may be advanced by the Corporation for all purposes, including lands, buildings, equipment, supplies, and all other items which may be supplied under the pending bill.

In view of the action of the Senate a moment ago in adopting the amendment of the Senator from Utah making the amount \$5,000, I may modify my amendment; but I will proceed to explain it.

The first provision is that the aggregate amount of the loans and advances shall not exceed \$3,200. That limitation may be too small.

The second provision is that the acreage in any one case shall not exceed the size of an average farm in the State where the land is located, as determined by the Federal census of 1930. The Census Bureau in a bulletin which I have here reports the average-size farm in each and every State in the Union. That is the result of actual economic conditions, the struggle for existence; and I think it provides the most suitable standard for the limitation of the size. The Senator from Alabama indicated a moment ago that this standard with respect to this particular point would not be objectionable to him.

Mr. BANKHEAD. I did not say the amendment "would not be objectionable"; I referred to the Senator's description of it.

Mr. GORE. The amendment had not then been offered; I was not trying to commit the Senator on that point.

The next provision is that the price of the land shall not exceed \$160 an acre. It occurred to me that there might be localities in the vicinity of cities or large markets where the land would be more valuable than in remoter sections. Of course, that would be true; but there ought to be a limitation even as to that. Where we, as a government, are undertaking to set people up in business, it ought to be on some sort of rational standard, and there should be some sort of rational limitation. It occurred to me that a limitation of \$160 an acre would not be out of alignment. I do not want the gate left wide open so that scandal may creep in. We ought to safeguard the administration of the act against that possibility.

One or two other standards are fixed. It is provided that no higher price shall be paid in any one case for land than twice the amount for which it was assessed for taxation purposes last year. That would be a protection to the administrative officers, those who shall be charged with the purchase of the land. They will be subjected to all sorts of pressure. Some of them might yield to pressure. I should like to fix a limit, if not to the pressure at least a boundary to the extent to which they can yield to such pressure. The owners of farms and lands who have rendered them for taxation in their own States under the laws of their States have made the rendition under oath, and when they receive twice that amount or if we allow the corporation to pay twice the assessed valuation, it seems to me that is latitude enough. It would provide an essential safeguard.

There is another limitation that no price shall be paid in excess of 50 percent over and above the price at which the land has sold since the depression came upon us. If the land has sold since the panic of 1929 for \$100 an acre, this would allow it to sell for \$150 an acre. It provides an outer boundary which would safeguard the administrative office and the Treasury of the United States against abuse.

There is another limitation that if the property, instead of having been sold, has been mortgaged since the depression of 1929, then the same limitation shall apply, that the purchase price shall not exceed 50 percent over and above the value of the mortgage on the land.

I believe these would provide not unreasonable safeguards, although the different points are subject to discussion, and, for that matter, correction. My paramount point is to fix limits and standards for the guidance of administrative officers which shall protect them and shall protect the good name of the Congress.

I was anxious for the bill to be recommitted, because I had in mind one or two instances which I thought ought to be investigated before we took a final vote. The transactions may be entirely innocent. I refer to a project down in Mississippi County, Ark., where 23,000 acres have been bought by the State rehabilitation administrator, I believe, from two or three owners. My information is that the State administrator was at one time in the employ of one of the landowners from whom some of these purchases were made. The plan is to erect 700 houses on this land. They already have a store and post office on it. I believe the average

acreage is about 40 acres. It is cotton land, suitable for the raising of long-staple cotton, and that may be one reason for the limitation on the acreage.

I know of an instance in Texas where 1,700 acres were purchased from one owner. I have heard suggestions about that transaction which I thought it would be wise to investigate now. The investigation, I thought, might enable us to erect additional safeguards in this legislation.

Of course, I think this legislation will change—perhaps I would not be justified in saying destroy and break down the entire social and economic structure of the South. If human society was a mechanism instead of an organism, if human society was mechanical, if human beings were automatons instead of being creatures possessed of instincts and passions, then a provision of this sort might be made to work. It may turn out to be a nightmare.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired. The question is on the amendment of the Senator from Oklahoma in the nature of a substitute for the amendment of the Senator from Iowa as amended.

Mr. BANKHEAD. Mr. President, I think it is very doubtful whether we should adopt the amendment of the Senator from Oklahoma. It has not been printed and has not been fully considered. He has proposed various standards for fixing values, such as tax assessment, private sales of property, and many other handicaps and limitations which ought not to cover the proper appraisal and valuation of the property which is to be bought. It makes a change also in the amount which the Senate just fixed as a limitation. For these and other reasons I hope the amendment will not be adopted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oklahoma [Mr. GORE] in the nature of a substitute for the amendment of the Senator from Iowa [Mr. DICKINSON], as amended.

The amendment in the nature of a substitute was rejected.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Iowa [Mr. DICKINSON], as amended.

Mr. AUSTIN. Mr. President, because of the absence of the author of the amendment I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson	Reynolds
Ashurst	Coolidge	Keyes	Robinson
Austin	Copeland	King	Russell
Bachman	Costigan	La Follette	Schall
Bailey	Couzens	Logan	Schwellenbach
Bankhead	Cutting	Loneragan	Sheppard
Barbour	Dickinson	McGill	Shipstead
Bilbo	Dieterich	McKellar	Smith
Black	Donahay	McNary	Steiwer
Bone	Duffy	Metcalf	Thomas, Okla.
Borah	Fletcher	Minton	Townsend
Brown	Frazier	Moore	Trammell
Bulkeley	Gerry	Murphy	Truman
Bulow	Gibson	Murray	Tydings
Burke	Glass	Neely	Vandenberg
Byrd	Gore	Norris	Van Nuys
Byrnes	Guffey	Nye	Wagner
Capper	Hale	Overton	Walsh
Caraway	Harrison	Pittman	Wheeler
Carey	Hatch	Pope	White
Clark	Hayden	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present. The question is upon the amendment of the Senator from Iowa [Mr. DICKINSON], as amended.

Mr. DICKINSON. On that I call for the yeas and nays.

Mr. GORE. Mr. President, the Senator from Alabama [Mr. BANKHEAD] intends to present his amendment a little later. Will it be in order then?

Mr. BANKHEAD. That depends on what happens to the other amendments.

Mr. GORE. The amendment of the Senator from Utah [Mr. KING] relates to value. The Senator from Alabama has offered an amendment which relates to the size of the farm,

which, I think, ought to be in the amendment as well as the limitation on value.

Mr. BANKHEAD. I have an amendment ready to offer if the amendment of the Senator from Oklahoma is not offered.

Mr. GORE. Mine has been rejected.

Mr. BANKHEAD. Very well; I offer that amendment.

Mr. DICKINSON. Mr. President, a parliamentary inquiry. Is the Senator from Alabama offering this amendment as a substitute for my amendment as amended?

Mr. BANKHEAD. No; I am offering it as an addition to the Senator's amendment.

The PRESIDING OFFICER. It becomes, then, an amendment to the amendment.

Mr. GORE. If the clerk may read the phrase relating to family-size farms, I shall try to state my amendment. I have not had a chance to reduce it to writing.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. As an amendment to the amendment offered by Mr. DICKINSON, Mr. BANKHEAD offers the following amendment:

The Corporation shall limit the loan made to any purchaser to an amount that will provide a family-size farm in the section or area where the farm is located, not to exceed in cost the price of property of similar size and value in the same section or area.

Mr. GORE. Now I wish to offer this amendment to that amendment:

To be limited in area to the size of an average farm in the State where the land is located, as determined by the Federal census of 1930.

I offer that as a substitute for the phrase "family-size farm."

Mr. BANKHEAD. I will accept that in place of the phrase "family-size farm."

The PRESIDING OFFICER. The Senator from Alabama accepts the proposal of the Senator from Oklahoma as a modification of his amendment.

Mr. BANKHEAD. Yes; making it the average-size farm as shown by the census of 1930.

Mr. ROBINSON. Let us have the amendment read as modified.

The PRESIDING OFFICER. The modification of the Senator from Alabama has not been reduced to writing. It will be read by the Official Reporter.

The Official Reporter read as follows:

To be limited in area to the size of an average farm in the State where the land is located, as determined by the Federal census of 1930.

Mr. BANKHEAD. I offer that as a substitute for the pending amendment.

Mr. KING. Mr. President, does that carry with it the limitation as to cost?

Mr. BANKHEAD. That is in the amendment; not in dollars and cents.

Mr. KING. There is no limitation, then, in dollars and cents.

The PRESIDING OFFICER. The question is upon the modified amendment offered by the Senator from Alabama [Mr. BANKHEAD] as a substitute for the amendment of the Senator from Iowa [Mr. DICKINSON], as amended.

Mr. BLACK. Mr. President, a parliamentary inquiry. As I understand, the amendment of the Senator from Iowa is that loans shall be limited to \$5,000. Am I correct as to that?

The PRESIDING OFFICER. The Senator is correct. The amendment was so amended.

Mr. BLACK. That is the amendment offered by the Senator from Iowa, as amended by the amendment of the Senator from Utah?

The PRESIDING OFFICER. Yes.

Mr. BLACK. And we are now to choose between a limitation of \$5,000 and the amendment offered by my colleague from Alabama [Mr. BANKHEAD]?

The PRESIDING OFFICER. That is correct. The Senate is now voting on the substitute amendment of the Senator from Alabama [Mr. BANKHEAD], as modified.

Mr. BLACK. He has offered a substitute amendment which, if adopted, would do away with the limitation of \$5,000 in the original amendment.

Mr. LA FOLLETTE. Mr. President, I rise to support the substitute amendment offered by the Senator from Alabama [Mr. BANKHEAD].

If this measure is to be drawn in such terms that its benefits can be extended to all sections of the country, with varying types of agricultural pursuits, and with varying situations so far as the value of land is concerned, it seems to me the substitute amendment is very much preferable to the amendment offered by the Senator from Iowa [Mr. DICKINSON], especially since the amendment of the Senator from Utah [Mr. KING] reducing the amount from \$15,000 to \$5,000 has been agreed to.

It is very plausible to urge that limitations should be placed upon either the size of the farms which are to be provided or the amount of money which is to be expended upon them; but Senators will readily realize that the difference in the various kinds of agricultural pursuits which are carried on in the respective States creates very different situations, both insofar as the size of an economic farm unit is concerned, and also insofar as the value of the land which may be purchased is concerned.

The amendment offered by the Senator from Utah would prevent the establishment of any successful farms for those who are designed to be benefited under the terms of this measure so far as my own State is concerned. I am sure this situation does not prevail in my own State alone, but relates to many other States in the Mississippi Valley and in the West where larger-sized farms are required if they are to be successful farm units.

The substitute amendment offered by the Senator from Alabama, it seems to me, is a clear direction to the Corporation and its directors to confine the operation of the Corporation to the establishment of farms no larger than the average size of the farms in the respective States where these farms are to be provided. I therefore believe that the substitute amendment, with the suggestion of the Senator from Oklahoma [Mr. GORE], meets the desires of those Senators who wish to be certain that the farms set up under this act shall be of an average size no larger than those prevailing in the several States, and it also makes certain that the bill will not be confined to any particular section. The amendment will assure that the measure will be national in scope, which the Senator from Alabama [Mr. BANKHEAD], the author of the bill, and others who have supported it, have emphasized again and again was their primary objective.

I sincerely hope that the amendment offered by the Senator from Alabama will prevail.

The PRESIDING OFFICER. The question is on the modified amendment, in the nature of a substitute, offered by the Senator from Alabama [Mr. BANKHEAD] for the amendment of the Senator from Iowa [Mr. DICKINSON], as amended.

The modified amendment, in the nature of a substitute, to the amendment as amended, was agreed to.

The amendment, as amended, was agreed to.

#### MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1572) to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended, and it was signed by the Vice President.

#### FARMERS' HOME CORPORATION

The Senate resumed the consideration of the bill (S. 2367) to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of

farm tenancy, to engage in rural rehabilitation, and for other purposes.

Mr. MCGILL. Mr. President, I ask that the amendment I sent to the desk a few minutes ago may be reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 10, between lines 18 and 19, it is proposed to insert the following new subsection:

(f) Nothing in this act shall be construed to authorize the corporation to make a loan to any corporation for the purpose of purchasing real property, to sell or otherwise dispose of any real property or interest therein owned or held by the corporation to any other corporation, or to enter into any contract or agreement with any other corporation with respect to the acquisition by it of any real property or interest therein.

Mr. MCGILL. Mr. President, having talked with the Senator from Alabama [Mr. BANKHEAD], in charge of the bill, I understand that he is willing to accept the proposed amendment.

Mr. BANKHEAD. Yes; I think it is a proper interpretation of the bill. I am entirely willing to have the amendment inserted in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MCGILL. Mr. President, I offer a further amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 9, line 22, before the period, it is proposed to insert a semicolon and the following: "but the Corporation shall not approve any application for the benefits of this act if it finds that the income of the applicant derived from farm property owned by him is sufficient to support his family and to pay the expenses of operating such property and the fixed charges on his indebtedness in connection with such property."

Mr. MCGILL. Mr. President, this amendment is not intended to apply where there are farmers who have small acreage, not sufficient to maintain themselves and their families and to pay their fixed charges, and by reason of that fact are required to rent additional land. The object of the amendment is merely to provide that loans shall not be made to anyone who is operating a farm owned by him that is sufficiently large and is producing enough to maintain himself and his family and to pay his fixed charges. I do not know whether or not the Senator from Alabama is willing to accept the amendment.

Mr. BANKHEAD. Mr. President, I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Mr. KING. Mr. President, I offer an amendment, on page 3, line 8, after the word "board", to add the words "with the approval of the President", so that as amended it would read:

The Corporation shall have capital stock in the amount of \$50,000,000, and the board, with the approval of the President, is authorized to increase such capital stock from time to time in such amounts as may be necessary to carry out the functions of the Corporation.

Mr. BANKHEAD. Mr. President, I am perfectly willing to have the amendment incorporated in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. REYNOLDS. Mr. President, I wish to offer an amendment, to insert at the proper place the following provision:

The privileges of this act relative to the purchase of farm lands and equipment for farming shall be given equally to all applicants for said privileges who do not own homes or farms.

Mr. President, I can state the intent of the amendment in a word. There are today a great many people in the metropolitan districts of the country, and particularly in industrial centers, who, prior to moving to the cities, had experience in farming, and who are now desirous of embracing an oppor-

tunity to return to the land. As I understand, the applications under the pending measure will have to be passed upon by those selected by the Corporation, and there is nothing in the pending measure to force them to make a loan or to reject an application.

If those applying have not had experience sufficient to enable them to conduct a farm, by way of tilling the soil and raising produce, of course their applications should be turned down, because those who would have charge of approving the applications certainly would not make a loan to a man who had lived in a city all his life, and who knew nothing about tilling the soil or cultivating land.

Mr. BANKHEAD. Mr. President, this amendment conflicts with the sections on this subject contained in the original measure. The amendment would make any person, regardless of previous occupation or employment, eligible for the purchase of one of the homes contemplated to be furnished, and that is fundamentally inconsistent with the purpose of the bill, which is to help secure small farm homes for farmers.

Mr. ROBINSON. Mr. President, will the Senator from Alabama yield to me?

Mr. BANKHEAD. I yield.

Mr. ROBINSON. It is also in conflict with the provision found in paragraph (b), on page 9, which gives preference to persons who are married, who have dependent families, and who are of good moral character, as well as to those who are experienced in farming, and so forth.

Mr. BANKHEAD. It furthermore broadens and enlarges the eligibility, covering everybody in the cities. I do not think the amendment should be agreed to.

Mr. REYNOLDS. Mr. President, I should like to make an inquiry of the author of the bill, and also of our leader the Senator from Arkansas [Mr. ROBINSON], as to whether or not, under their interpretation of the bill, individuals who have had farming experience, but who a number of years ago went to industrial centers, would have the opportunity of getting loans.

Mr. ROBINSON. I think so; but they would not necessarily be on a plane of equality with others, and under the Senator's amendment they would be placed on an equality. The Corporation or its agents would be denied the right to give preference to persons who are married, persons who have dependent families, and persons who are of good moral character.

It is perfectly clear to me that it is not every person who might seek to procure these homes who would be able to do so. There are some persons who may have had in times gone by experience in farming who could not make a success of any farm homestead they might receive.

The PRESIDING OFFICER. For the information of the Senator from Arkansas, the Chair will state that the provision as to good moral character has been stricken out.

Mr. ROBINSON. Yes; but there is still in the bill provision for giving preference to persons who are married and who have dependent families. I doubt whether there is wisdom in the elimination that was made in that paragraph.

The Senator's amendment, as I heard it when it was read—as I understand—would require that equal opportunity be given to every person who had had any experience in farming.

Mr. REYNOLDS. Mr. President, I was merely seeking opportunity for those who formerly had had experience in farming, and who had gone to industrial centers.

I am perfectly satisfied with the explanation which has been given by the Senator from Arkansas when he says that his interpretation of the measure would be that if a man had had experience sufficient to enable him to cultivate successfully a piece of land, he would be entitled to a loan, and no doubt those taking the applications would take into consideration his qualifications. That being the case, I am perfectly satisfied with the explanation given by the Senator from Arkansas and the Senator from Alabama, the author of the bill, and I shall therefore withdraw my amendment.

Mr. WALSH. Mr. President, I should like to ask the author of the bill a few questions. First, I should like to

ask whether the bill provides for a permanent governmental activity and bureau, in contradistinction to an emergency activity.

Mr. BANKHEAD. It is not essentially an emergency program.

Mr. WALSH. Then I should like to know why the usual laws relating to Civil Service and the classification of employees are not made to apply to the corporation to be set up, the same as they apply to every other permanent governmental agency of the Federal Government?

Mr. BANKHEAD. Mr. President, I do not know what the Senator would call permanent agencies. The Home Owners' Loan Corporation may be just as permanent as the corporation proposed to be set up under the pending measure. The text of the pending bill is copied from the Home Owners' Loan Corporation Act.

Mr. WALSH. The Home Owners' Loan Corporation was to have a limited period of existence, and was about to expire, until we continued it for another limited period.

Mr. BANKHEAD. We all know it will continue for a long, long time. Besides, most of the work to be done in connection with the pending bill is of a different type from the usual work of a clerical and accounting nature.

Mr. WALSH. One of the difficulties that has grown up as a result of the emergency bureaus which have been established is that we find officials receiving higher salaries than are paid officials in the regular permanent departments of the Government doing exactly the same work. Attorneys receive thousands of dollars in some of these emergency departments in excess of attorneys in the permanent organizations.

Mr. BANKHEAD. There are limitations in the pending bill.

Mr. WALSH. Yes; the limit is \$10,000, which is the salary of the directors of the corporation. No salary can be in excess of that sum.

Mr. BANKHEAD. Yes.

Mr. WALSH. But it seems to me that in a department such as that to be set up we ought to make applicable at least the Classification Act, which requires that the same salaries shall be paid for the same classes of work being performed. I know stenographers in some emergency bureaus who are paid much larger salaries than those under the Classification Act.

For these reasons, I offer the following amendment: On page 6, line 20, to strike out the words "without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, or agents of the United States" and to insert the following words: "within the provisions of the civil-service laws and the Classification Act of 1923, as amended", so that, as amended, the section would read:

The Corporation shall have power to select, employ, and fix the compensation of such officers, employees, attorneys, or agents as shall be necessary for the performance of its duties under this act within the provisions of the civil-service laws and the Classification Act of 1923, as amended.

Mr. BLACK. Mr. President, will the Senator yield for a question?

Mr. WALSH. I yield to the Senator from Alabama.

Mr. BLACK. I understood the Senator to state that it was his intention to offer an amendment which would simply protect the rate of wages. Unless I misunderstood that amendment it would go farther.

Mr. WALSH. Yes, I do. I intended to offer both.

Mr. BLACK. This amendment, then, would even require the employment of attorneys under Civil Service.

Mr. WALSH. Yes. Mr. President, can there be any objection to putting the employees in this branch of the Federal Government on the same salary basis and under the same civil-service laws that employees of every other department of the Government are under, including the employees in the Post Office Department and other departments?

Mr. BLACK. Mr. President, will the Senator further yield?

Mr. WALSH. I yield.

Mr. BLACK. I do not understand that attorneys, for instance, in the Federal land bank are under civil service. It seems to me the Senator has proposed an all-embracing amendment which goes further than a great many people believe that civil service has satisfactorily worked.

Mr. WALSH. I will say to the Senator that a similar provision was incorporated in the Securities Exchange Act, though certain "experts and attorneys" were exempted. I believe some such a term was used in the act. It has been ruled that even attorneys and experts must take civil-service examinations, and they have been given civil-service examinations and they have been selected under those examinations. Not all examinations have been competitive. Some have been noncompetitive. But as a matter of fact practically every person being employed in the Securities Exchange Commission is under civil service, and we incorporated that in the law of last year. I hope the Senator will accept the amendment, and if it is necessary in conference to remove attorneys, or a certain class of attorneys from the provisions of the measure, that can be done. I do not care to make the provision any different from any other statute dealing with a permanent commission operating in the Federal Government. I simply desire the same principle and the same theories to be applied to this as to all other permanent departments of the Government.

Mr. BLACK. I may say to the Senator that I have always supported the civil service. I supported the amendment of the Senator from Nebraska to the Home Owners' Loan Corporation Act, which, in my judgment, provided a better method, perhaps, than provided by the civil service. I do not believe that selection of attorneys through the civil service brings the best attorneys to the service of the Government. I do not believe it has been successful. I think it has been unsuccessful. I do not think the same reasoning applies to the selection of attorneys and experts of that type which would apply to people working in a clerical capacity.

Mr. WALSH. Would the Senator agree to this amendment if I except attorneys?

Mr. BLACK. May I state to the Senator that my colleague has charge of this bill. I was expressing my individual opinion with reference to that part of the civil service.

Mr. WALSH. I ask the same question of the junior Senator from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. The point in my mind is whether the type of service to be performed in the field requires that type of employees which should come under civil service. I do not object to civil-service examinations in the case of those employed in the offices in Washington. However, people such as the Extension Service agents are not under civil service. Employees of that kind, who will contribute in large measure to the aid and health of the people, as well as appraisers of the land, are not under civil service.

Mr. WALSH. Under the bill as drafted, not a single clerk, not a stenographer, not a single employee needs to take a civil-service examination or meet the requirements of the civil service or the Classification Act. I venture to say this Department will be the only, or one of the very few, departments of the Federal Government where that situation exists.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. NORRIS. My attention was distracted for a moment, and I did not hear the Senator's amendment.

Mr. WALSH. I wish the Senator to know why I am presenting the amendment. As the bill reads there is no obligation for civil-service examination in the case of a single employee.

Mr. NORRIS. Has the Senator offered an amendment?

Mr. WALSH. I have offered an amendment.

Mr. NORRIS. Has it been read?

Mr. WALSH. Yes.

Mr. NORRIS. Mr. President, I have not read the amendment, but I concede that an amendment relating to the civil service ought to be adopted and put into this bill. I am in entire sympathy with the Senator in his effort. I am not familiar with the form of the amendment. I have not read

it. It seems to me an amendment could be presented which would be superior to what is ordinarily known as a "civil-service amendment."

Mr. BANKHEAD. The amendment of the Senator from Massachusetts is, I take it, all-embracing.

Mr. NORRIS. I heard the Senator talking about an examination which would have to be had. The civil service gives two kinds of examinations. There is a competitive examination and a noncompetitive. I agree in the main with what the Senator from Alabama has said, that the ordinary civil-service examination will not reach a class of people such as attorneys, but a noncompetitive examination will. And that could be very well applied to attorneys—to everybody. I cannot conceive of the case of anyone where it would not be well to have a noncompetitive examination, an investigation. It would mean an investigation as to a man's character, his honesty, and his ability.

Mr. WALSH. As a matter of fact, that is just what is being done in connection with the employees of the Securities Exchange Commission.

Mr. NORRIS. And that is what ought to be done.

Mr. WALSH. Of course, that ought to be done.

Mr. NORRIS. Yes.

Mr. WALSH. The Senator will remember that last session we were attempting to create two labor boards, one dealing with railroads and one for industry in general. In one case there was no provision in the bill for civil service and in the other there was, and yet they were dealing with practically the same subject. The Senator will recall that the Senator from Wyoming [Mr. O'MAHONEY] rose in his seat and called attention to the fact that there were assistants to the cabinet officers who were getting much less salaries than assistants doing comparable work in other departments of the Government, because they were not under the same classification provisions, which should apply to all Government employees.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. FLETCHER. The Civil Service has held that a man 45 years of age cannot qualify in some cases. There is some regulation about age; but as a matter of fact, some of the best lawyers I know are over 50 years.

Mr. NORRIS. I do not think in a noncompetitive examination that question would be considered. If there is any doubt about it, let us put an exception in the bill.

Mr. FLETCHER. There is some rule about age, I believe. Some people are better equipped after they have reached 45.

Mr. NORRIS. The Senator from Florida and myself are both young men, and this measure does not, of course, apply to us, but we are pointing out what ought to be considered by older Senators.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Massachusetts.

Mr. WALSH. Will the Senator from Alabama [Mr. BANKHEAD] accept my amendment?

Mr. BANKHEAD. No, Mr. President.

Mr. WALSH. I ask for the yeas and nays.

Mr. COUZENS. I suggest the absence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson	Reynolds
Ashurst	Coolidge	Keyes	Robinson
Austin	Copeland	King	Russell
Bachman	Costigan	La Follette	Schall
Bailey	Couzens	Logan	Schwellenbach
Bankhead	Cutting	Lonergan	Sheppard
Barbour	Dickinson	McGill	Shipstead
Bilbo	Dieterich	McKellar	Smith
Black	Donahay	McNary	Stelwer
Bone	Duffy	Metcalf	Thomas, Okla.
Borah	Fletcher	Minton	Townsend
Brown	Frazier	Moore	Trammell
Bulkley	Gerry	Murphy	Truman
Bulow	Gibson	Murray	Tydings
Burke	Glass	Neely	Vandenberg
Byrd	Gore	Norris	Van Nuys
Byrnes	Guffey	Nye	Wagner
Capper	Hale	Overton	Walsh
Caraway	Harrison	Pittman	Wheeler
Carey	Hatch	Pope	White
Clark	Hayden	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Massachusetts [Mr. WALSH].

Mr. BANKHEAD. Mr. President, I have discussed the matter with the Senator from Massachusetts. I am willing to have the amendment go into the bill, with the clear understanding with the Senator and others interested that in the event the bill shall pass the House and reach the conference stage, the amendment will be worked over so as to try to meet the real objections to it.

Mr. NORRIS. Mr. President, I do not want to have any understanding on the amendment. If we are not going to have the amendment adopted, let us say so.

Mr. BANKHEAD. I do not propose to reject the amendment.

Mr. NORRIS. I have not even read it. I did not hear it read, as I said. It relates to a very important subject.

Mr. BANKHEAD. I am trying to reconcile the matter to meet the views of the Senator from Nebraska.

Mr. WALSH. Mr. President, I understand the question is on the adoption of the amendment.

The VICE PRESIDENT. The question is on the adoption of the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. WALSH. Mr. President, I wish to make another inquiry. It is only for the purpose of perfecting the bill. I should like to inquire what, if any, provision there is in the bill giving any information to anyone, the President or Congress, in reference to the amount of money spent, to whom the money is paid, the number of employees, or other record of the proceedings of the Corporation.

Mr. BANKHEAD. There is no such provision in the bill. I do not know of any other measure which has ever contained any such provision.

Mr. WALSH. Then I desire to offer the following amendment: On page 7, after line 14, insert the following:

The Corporation shall at the close of each fiscal year make a report in writing to Congress stating in detail its activities, the names, salaries, and duties of all employees and officers in the employ of or under the supervision of the Corporation, and an account of all moneys it has disbursed.

Mr. BANKHEAD. I have no objection to the amendment.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. BANKHEAD. Mr. President, there are one or two clarifying amendments which I wish to offer. I send the first one to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 3, line 14, after the word "relief", insert the word "appropriation", so as to make the sentence read:

Such original capital stock may be subscribed for by the President on behalf of the United States, and payments for such subscriptions may be made from any sums appropriated by the Emergency Relief Appropriation Act of 1935—

And so forth.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. BANKHEAD. I offer another amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 8, line 19, after the word "contracts", insert the following:

The Corporation may lease any farm which has been repossessed by it, pending a resale of said farm.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment offered by the Senator from Alabama will be stated.

The CHIEF CLERK. On page 12, line 2, it is proposed to strike out the words "acquired and held by the Corporation, or", and in line 3, after the word "Corporation", insert the words "notwithstanding the legal title remains in the Corporation", so as to make the subparagraph read:

Nothing in this act shall be construed to exempt any real property held by any purchasers from the Corporation, notwithstanding the legal title remains in the Corporation, from taxation by any State or political subdivision thereof to the same extent, according to its value, as other real property is taxed.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LA FOLLETTE. Mr. President, I desire to offer an amendment on page 8, line 5, to strike out the word "and" before the word "facilities", and after the word "facilities" to insert the words, "and to assist the beneficiaries of this act in the organization of cooperatives."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. SCHWELLENBACH. Mr. President, I send forward three amendments to which the Senator from Alabama has informed me he has no objection.

The VICE PRESIDENT. The amendments will be stated.

The CHIEF CLERK. On page 8, line 2, it is proposed to strike out the words "small individual", so as to make the sentence read:

To establish, make loans for, and to assist in the establishment of farms and farm homes"—

And so forth.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. On page 8, line 5, it is proposed to change the period to a comma and to insert the following proviso:

*Provided*, That any such individual farm shall be of such size and fertility and so stocked and equipped as to reasonably indicate returns which will permit the occupants thereof to repay any obligations incurred by them for the purchase thereof, and to maintain a decent standard of living.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. On page 11, line 8, after the word "Corporation", it is proposed to insert:

*Provided*, That if he shall have first given the Corporation 60 days' notice of his intention to sell and convey said property, and unless the corporation, within such 60-day period, does not purchase such property at a price equal to the appraised value thereof, as established by an independent appraisal, such sale shall not be prohibited hereby.

And in lines 9 and 10, to strike out the words "such written consent" and insert the words "complying with the foregoing requirements", so as to make the section read:

Sec. 6. No purchasers of property from the Corporation shall, so long as the purchase price is not paid in full, without the written consent of the Corporation, sell, lease, transfer, assign, or convey any such property included in a contract of sale by the Corporation or in a mortgage to the Corporation: *Provided*, That if he shall have first given the corporation 60 days' notice of his intention to sell and convey said property, and unless the Corporation, within such 60-day period, does not purchase such property at a price equal to the appraised value thereof, as established by an independent appraisal, such sale shall not be prohibited hereby.

If any sale, lease, transfer, assignment, or conveyance of any such property is made without complying with the foregoing requirements, or if any property is abandoned, the Corporation may declare all unpaid installments of principal and interest (accrued or to accrue) to be immediately due and payable.

The VICE PRESIDENT. Without objection, the amendments are agreed to.

Mr. GLASS. Mr. President, due to occupation on committee work and conference work, I have been unable to hear a great deal of the debate on the pending bill, but from such of the discussion as that I have heard I derive the impression that the Government may in some event become the owner of these farms. I should like to ask if that is so.

Mr. BAILEY. Mr. President, I may say to the Senator that the bill provides for the creation of a Government corporation to buy the farms, and then provides for foreclosure, in which event the Government's corporation again becomes the owner. That the farms are to be purchased by a Gov-

ernment corporation does not alter the fact that the Government takes them as owner.

Mr. GLASS. If that be so—and I hear no protest against that interpretation of the bill—it seems to me the bill is clearly in conflict with the express provision of section 8 of article I of the Constitution, which prohibits the Government of the United States from acquiring by purchase any property in any State without the specific consent of the legislature of the State. If in fact this is a Government corporation—and I assume it is, because the Government subscribes its capital, and the Government is made responsible for its indebtedness, both principal and interest—how are we to get around that provision of the Constitution, I should like to know?

I am not a lawyer; but I know perfectly well that the Government of the United States is not authorized to acquire, even by the exercise of eminent domain, a foot of ground in any State except by consent of the legislature of the State.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. BLACK. I call the Senator's attention to the fact that the Federal land bank is a corporation which, while originally created in the nature of a private corporation, is more or less in the nature of a governmental corporation. It owns a great deal of land. The Home Owners' Loan Corporation is a corporation for which the money was supplied by the Government, and it will necessarily acquire in the process of its business a great amount of land.

I do not mention that as bearing on the question of constitutionality of this measure, except to state that in my judgment the same rule would apply to the Home Owners' Loan Corporation.

Mr. GLASS. The same rule may apply to the Home Owners' Loan Corporation, but the Home Owners' Loan Corporation Act may be unconstitutional; and the fact that we have passed one unconstitutional act does not justify the passage of another.

As to land banks, the land banks are not owned by the Government. The Government is in no way or degree responsible for either the principal or the interest of the bonds of the land banks, so that is an entirely different matter.

I do not profess to know either the Constitution or the law; but, if I have any sense at all, it seems to me the bill is in plain violation of the provision of the Constitution to which I have referred.

I have been asked by several Senators about the section to which I refer. It is section 8 of article I of the Constitution. The Government could not even acquire the site of this Capitol except by cession from the States. The reason why I seem to have some knowledge about this matter is that more than 40 years ago, before the State of Virginia, by general statute, had authorized the Federal Government to exercise the right of eminent domain in that commonwealth, in the matter of buildings for public purposes, there had to be a special act of the legislature to authorize the Government to buy a plot of ground in my town on which to build a post office.

Mr. BANKHEAD. Mr. President, I take it that the section to which the Senator from Virginia refers—part of article I, section 8—is as follows:

The Congress shall have power \* \* \*

To exercise exclusive legislation in all cases whatsoever, over such district (not exceeding 10 miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States, and to exercise like authority—

That is, legislation—

over all places purchased by the consent of the legislature of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings; and

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers. \* \* \*

Mr. GLASS. Mr. President, what has the Senator to say in explanation of that? He merely read the section.

Mr. BANKHEAD. I think the section explains itself.

Mr. GLASS. I think so, too.

Mr. ROBINSON. Mr. President, the section does not require the consent of the legislature for the Federal Government to acquire title to lands in a State. The provision authorizes exclusive legislative jurisdiction in the Federal Government in territory that may be ceded by the States for the purpose of a National Capital. That is a very different thing from the mere acquisition of title to land. The Federal Government purchases land almost every day as sites for public buildings and for other purposes, and usually there is no requirement that the consent of the States be granted for the acquisition of title in such cases.

That is point no. 1.

The section of the Constitution to which the Senator refers does not, except as to the exercise of exclusive legislative power, require cessions by a State of areas within the State, and it is a distinctly different case from where the Federal Government, or someone for the Federal Government, merely acquires title. It is not proposed that the Federal Government shall exercise exclusive or other legislative jurisdiction over the lands that may be bought by this Corporation. On the contrary, there is an express provision of the bill that it shall not do so. The legislative jurisdiction remains in the State.

So the question resolves itself into a very simple one—whether the Federal Government, or a corporation created by the Federal Government, may buy land within a State without the consent of the State legislature. There is nothing in the Federal Constitution which expressly requires the consent of the State legislatures except in the case where it is proposed that the Federal Government shall exercise exclusive legislative jurisdiction.

Mr. GLASS. Mr. President, as to the Senator's first point, I am quite confident that if he will make due inquiry he will find that the Federal Government cannot acquire a foot of ground in any State, even by the right of eminent domain, without the consent of the State. If he will make inquiry of the Supervising Architect's office, he will find that no post-office site is ever acquired without the express consent of the legislature of the State in which it is proposed to erect the post office.

As to the second suggestion of the Senator from Arkansas, as stated in the beginning of my brief remarks, I have not read the bill closely or followed the discussion closely; but it seems to me we are proposing to exercise exclusive Federal jurisdiction over these farm lands, so that in default the Federal Government through its corporation, which is the Federal Government, may go in and foreclose and take possession of the farm lands.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. GLASS. Certainly.

Mr. ROBINSON. If I am in order, I will take just a moment to reply to what the Senator from Virginia says.

Section 7, subdivision (a), on page 11, expressly provides:

The jurisdiction, both civil and criminal, over lands acquired under the provisions of this act shall not be changed by reason of such acquisition: *Provided, however,* That this section shall not be deemed to affect the jurisdiction of the United States to punish offenses against the United States—

And so forth.

I merely point that out as indicative of the fact that the bill does not violate the spirit or language of that section of the Constitution referred to by the Senator from Virginia.

Mr. GLASS. Is not that very section in contravention of this section of the Constitution, which provides that the Government shall have exclusive jurisdiction over lands purchased with the consent of the legislature?

Mr. ROBINSON. No, Mr. President; it is not in contravention of it. I thought I made clear before that the requirement that the legislatures of the States shall cede the territory or give consent to the acquisition of title to lands is dependent upon the provision that the Federal Government designs to exercise exclusive legislative jurisdiction over the lands.

There is a plain reason for it. If that were not required, we would have the Federal Government exercising legislative jurisdiction over lands within a State without the con-

sent of the State, violating the sovereignty of the State; but when the Federal Government acts as a mere proprietor and acquires lands for its purposes, unless there is permission or consent from the legislature, the Federal Government cannot exercise legislative jurisdiction.

Mr. GLASS. Mr. President, at this very time there is an issue in Virginia. The State, through its legislature, authorized the Federal Government to acquire what is known as the "Shenandoah Valley Park" by gift from the State and the individual subscribers to the fund, and some of the tenants in the Shenandoah Valley district have evinced an unwillingness to have their lands condemned, and the matter is being contested in the courts now as to the right of the Federal Government to condemn these particular tracts, except for public purposes. I think the case has no standing; but I have certainly been under the impression for forty-odd years that the Federal Government is prohibited from acquiring a foot of territory in any State without the consent of the State.

If, as has been repeatedly asserted on the floor of the Senate, the Federal Government may, under the terms of the pending bill, become a great owner of farm lands, it seems to me it is in contravention of the provision of the Constitution which I have stated.

Of course, it is not expected that a simple layman can follow the abstruse definitions of the law as lawyers may do, but, notwithstanding the great legal accomplishments of the Senator from Arkansas, I am still of the opinion that the United States Government has no right to own farms.

Mr. AUSTIN. Mr. President, I am thoroughly in accord with the conclusion of the distinguished Senator from Virginia [Mr. GLASS] that this proposed legislation is in conflict with any right the people of this country vested in Congress.

It is not necessary to point out any particular provision of the Constitution of the United States to which a proposed act runs counter, in order to know definitely that it is without our authority to enact it. So it is with this particular measure pending, if it should become a law. It seems to me that the whole effect of the Constitution is against the theory of the Federal Government reaching over the boundary of any State and undertaking to become a proprietor, in a business sense, of any of the lands of that sovereign State.

The power to enact legislation is not equal in greatness to the power to become the sole proprietor of the soil of the State. It is extremely obnoxious to me to think of the Congress of the United States enabling the Federal Government to go into any State which is a part of this Union and acquire by purchase a greater power than the people of this country vested in the Congress by the Constitution.

Of course, one can point out the only part of the Federal Constitution which deals with this subject at all and see at once that the sole place in the Federal Constitution wherein authority was given to the Federal Congress is that part of article 4 which has been heretofore referred to by the Senator from Iowa. That is the only place where will be found any power given to the Federal Congress by the people of the United States of America with respect to the land, the territory of the United States, and that is strictly limited to land held by virtue of the cessions by the several States to the Federal Government, and no construction that is reasonable can extend that power to the acquisition of new land from private individuals by purchase and the subsequent dealing in that land as a landlord engaged in agriculture.

It has been said that perhaps this is not the Federal Government doing this thing, because we are creating a corporation, and that we have had the example of the Federal land bank doing something similar. The two instances are not at all parallel, and they are not at all alike. The Federal land bank is a private corporation; it is not an instrumentality of government.

The proposed corporation is intended and expected to be an instrumentality of government, an instrumentality by which the United States steps within the boundary of every

State and undertakes to become a landlord, a farmer, a tiller of the soil.

If we shall pass this bill, we will have taken the greatest step yet taken—and we have taken several of them—toward the Russianization of the United States of America. We are now, as we have been several times before, confronted with the choice between adhering to the American theory of government and adopting the Russian theory of government. The form need not be exactly the same, but it is the principle of collectivism, the principle of putting the great central government, with all its powers, into competition with the individual, the gradual exclusion and crowding out of the individual from private enterprise, and now the intrusion of the Federal Government into ownership of the land, actual management of the land; for this bill provides that the Federal Government may manage that land.

Here we have a step which goes to the very root of our social and economic system. I insist that it is entirely in conflict with the spirit of the Constitution and that there is no authority in the Constitution for the Federal Congress to take the step. If there is no authority given by the Constitution to take it, it is unconstitutional, because the Federal Government has only those powers which are delegated to it. They are supposed to be limited to the government of affairs which are national in scope, and the Government should keep away from the government of affairs which are local.

For this reason, and for others, I shall vote against the bill.

Mr. GORE. Mr. President, the sovereign may own land in two or three different characters or capacities. The sovereign may own land as a sovereign and may own land as a proprietor; and it may also own land both as sovereign and as proprietor.

The United States owns the site upon which this building is constructed both as sovereign and as proprietor. I think I may illustrate further. In Oklahoma, prior to our admission into the Union, the public domain was, of course, owned by the United States. The public domain in the Territory of Oklahoma was owned by the United States both as sovereign and as proprietor; but the moment Oklahoma was admitted into the Union the United States no longer owned the public domain in its character as sovereign. It owned that land only in the character of proprietor.

A State may own land in still a different capacity or character. It owns the bed of navigable streams, it holds the land in trust as a sovereign, but it does not own the land in fee.

The United States can acquire land in its character as a sovereign only by and with the consent of the State in which the land is located. The United States can also acquire land by condemnation, in which instance, as I understand, it owns the land as a proprietor and not as a sovereign. It can acquire land by condemnation only for public use, not for private use. I am not at all certain that the United States has any right or power to acquire land for private use—to buy and sell land for private use. In what section of the Constitution does that power reside? If the United States can buy and sell land for private use and private purposes, are there any restraints upon its powers, upon its omnipotence, other than the express prohibition set forth in the Constitution, and the conservatism, the conscience, or the caprice of Congress?

Mr. President, as I remember, Pharaoh, under the guidance of his prime minister Joseph—who seemed to be a sole corporation in that instance—acquired all the land in Egypt, and in acquiring the land acquired the sovereignty not only of the soil but of the souls of the people. The people were enslaved. They bartered land and liberty alike for bread. I doubt if the United States can acquire land for any other than public purposes. When the United States acquires land by condemnation it must be for public use. I doubt seriously whether the United States can be a mere land trafficker or peddler, and buy or sell land for one purpose or another unconnected with its character and functions as a sovereign. Some States go so far, and, I think, wisely, as

to prohibit corporations from owning land except what is necessary to the conduct of the business for which they were chartered, and to which they are restricted.

I was interested a moment ago in the allusion to the Constitution of the United States. I myself have some respect and, I might say, some reverence for antiques. Not long ago I had a request for a souvenir of Washington, and I sent my inquiring friend a copy of the Constitution of the United States of America.

I now wish to have read into the RECORD several extracts from a speech or two made by Hon. John T. Morgan, of Alabama, once a leading and distinguished Member of this body:

How are the mighty fallen and the weapons of war perished!

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

[From p. 2597 of the CONGRESSIONAL RECORD of Apr. 4, 1884]

Mr. MORGAN. \* \* \* Mr. President, when I was elected a Senator from Alabama it never occurred to me or to any member of the legislature who did me the honor to vote for me or to the people of that State, or, I suppose, to anybody, that one part of my mission here was to raise school funds to educate the people of my State, no more than that I was to come here and get supplies for the insane hospital, for the institution for the deaf, dumb, and blind, or for the poorhouses of the respective counties, or for the improvement of the common roads of the country, or any other subject that might relate to the general welfare of my people. We have got a constitution in my State and a legislature elected under it, and in that legislature may be found men of equal ability with any who are here or have been here from my State upon the floor of either of these Houses. Limited powers are prescribed to them in the constitution, but ample power is given on the subject of public education; plenary power is given to them almost on that subject. Encouragement is expressed in the constitution itself for this great purpose, and those legislators are designated as persons who by law must measure out the proper quantum of relief and assistance to public schools there. It never occurred to me that I had come here for the purpose of raising funds by begging or by legislating for the purpose of building up schools in my State. I have not come here as a mendicant apostle of a propaganda in Alabama that requires money to be begged out of gentlemen of the North to sustain and support us in those industries and enterprises and duties which we ought to perform for ourselves.

[From p. 2598 of the CONGRESSIONAL RECORD of Apr. 4, 1884]

Sir, you may search with all the anxiety possible, and you will find no word in the Constitution that relates to public charity, to public benevolence, to public education, to insane asylums, or deaf-and-dumb institutions, or to public roads, except post roads—no hint of it. If it had been the intention of our fathers, who then had written constitutions in their respective States, to have placed within the jurisdiction of Congress power to touch questions of this kind, either by the appropriation of money or by the taxation of the people or by legislative expedients, would there not have been some man found who in the Convention would at least have made such a suggestion?

Sir, there was not a man who ever arose on the floor of that Convention and hinted at the idea that the subject of public education was one of the subjects that they intended or expected to entrust to Congress; and in the absence of all expression on this subject, and while the State governments had made in their constitutions express and ample provision for the exercise of these particular powers by those State governments, are we to infer that our fathers were so blind and so indifferent in respect to the powers to be conferred upon this new and limited Government as that they should never refer to it by a word in the Constitution to indicate the thought or by the expression of a single suggestion in the Convention which framed the Constitution that the general welfare for which Congress was to provide by taxation included the support of common schools in the States?

[From p. 2633 of the CONGRESSIONAL RECORD of Apr. 5, 1884]

In May 1874 there was an overflow that occurred in my State on the Tombigbee or the Black Warrior River, a small, narrow stream whose bottom lands were not very extensive; and as soon as it was understood that some plantations had been inundated and some stock swept off, the Members of Congress then represented or claiming to represent that State brought in a bill to appropriate, I believe it was \$400,000, for the relief of the people who had been overflowed by the Tombigbee and the Warrior Rivers, and the bill was passed. The general welfare of the whole State of Alabama and of the United States was a sufficient plea in apology for giving \$400,000 at that time for the overflowed people in that portion of my State. The money was authorized to be expended in bacon and in flour and other food for human consumption. It was so expended. The overflow had passed away before the bill passed Congress and new crops were growing upon the land that Congress was providing for before the bill was signed by the President. Nevertheless the \$400,000 went into public distribution in the State of Alabama; and it was distrib-

uted in the next October and November elections upon the highest points of the Sand Mountains throughout a large region of country where the people wanted what was called in that country "overflow bacon."

I cannot get that picture out of my mind. There was the general welfare of the people invoked and with success to justify this political fraud; the money was voted, and the bacon was bought, and the politicians went around with their greasy hands and distributed it to the men who cast greasier ballots that they could not read, and in that way the general welfare was promoted. Men got rations of bacon to cast ballots that they could not read through the broad benevolence and the wonderful healing power of our acts of usurpation under what we call the general-welfare clause, and which has been aptly termed here "the blanket clause" of the Constitution; the clause that, in the name of the general welfare, is a safe cover for inequities, as charity is a convenient mantle for other sins.

Mr. GORE. Mr. President, I ask to have published in the RECORD at this point the statement of Mr. Madison, which appears on page 2632 of the RECORD from which the clerk has been reading.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. MADISON. It is proposed by some gentlemen that Congress have authority not only to grant bounties in the sense here used, merely as a commutation for drawback, but even to grant them under a power by virtue of which they may do anything which they may think conducive to the general welfare. This, sir, in my mind raises the important and fundamental question whether the general terms which have been cited are to be considered as a sort of caption or general description of the specified powers, and as having no further meaning and giving no further powers than what is found in that specification, or as an abstract and indefinite delegation of power extending to all cases whatever; to all such at least as will admit the application of money, which is giving as much latitude as any government could well desire.

I, sir, have always conceived—I believed those who proposed the Constitution conceived—it is still more fully known and more material to observe that those who ratified the Constitution conceived that this is not an indefinite government, deriving its powers from the general terms prefixed to the specified powers, but a limited government, tied down to the specified powers, which explain and define the general terms.

It is to be recollected that the terms "common defense and general welfare" as here used are not novel terms first introduced into this Constitution. They are terms familiar in their construction and well known to the people of America. They are repeatedly found in the old Articles of Confederation, where, although they are susceptible of as great a latitude as can be given them by the context here, it was never supposed or pretended that they conveyed any such powers as are now assigned to them. On the contrary, it was always considered clear and certain that the old Congress was limited to the enumerated powers, and that the enumeration limited and explained the general terms. I ask the gentlemen themselves, whether it was ever supposed or suspected that the old Congress could give away the money of the States in bounties to encourage agriculture, or for any other purpose they pleased. If such a power had been possessed by anybody, it would have been much less impotent, or have borne a very different character from that universally ascribed to it.

The novel idea now annexed to those terms and never before entertained by the friends or enemies of the Government will have a further consequence, which cannot have been taken into the view of the gentleman. Their construction would not only give Congress the complete legislative power I have stated; it would do more, it would supersede all the restrictions understood at present to lie in their power with respect to a judiciary. It would put it in the power of Congress to establish courts throughout the United States, with cognizance of suits between citizen and citizen, and in all cases whatsoever.

This, sir, seems to be demonstrable, for if the clause in question really authorizes Congress to do whatever they think fit, provided it be for the general welfare, of which they are to judge, and money can be applied to it, Congress must have power to create and support a judiciary establishment without a jurisdiction extending to all cases, favorable in their opinion to the general welfare, in the same manner as they have power to pass laws and apply money providing in any other way for the general welfare. I shall be reminded, perhaps, that according to the terms of the Constitution the judicial power is to extend to certain cases only, not to all cases. But this circumstance can have no effect in the argument, it being presupposed by the gentlemen that the specification of certain objects does not limit the import of the general terms. Taking these terms as an abstract and indefinite grant of power, they comprise all the objects of legislative regulations, as well such as fall under the judiciary article in the Constitution as those falling immediately under the legislative article, and if the partial enumeration of objects in the legislative article does not, as these gentlemen contend, limit the general power, neither will it be limited by the partial enumeration of objects in the judiciary article.

There are consequences, sir, still more extensive which, as they follow clearly from the doctrine combated, must either be admitted or the doctrine must be given up. If Congress can employ money indefinitely to the general welfare, and are the sole and supreme

judges of the general welfare, they may take the care of religion into their own hands; they may appoint teachers in every State, county, and parish and pay them out of their Public Treasury; they may take into their own hands the education of children, establishing in like manner schools throughout the Union; they may assume the provision for the poor; they may undertake the regulation of all roads other than post roads; in short, everything from the highest object of State legislation down to the most minute object of police would be thrown under the power of Congress; for every object I have mentioned would admit of the application of money and might be called, if Congress pleased, provisions for the general welfare.

The language held in various discussions of this House is a proof that the doctrine in question was never entertained by this body. Arguments wherever the subject would permit have constantly been drawn from the peculiar nature of this Government as limited to certain enumerated powers instead of extending, like other governments, to all cases not particularly excepted. In a very late instance—I mean the debate on the representation bill—it must be remembered that an argument much used, particularly by gentlemen from Massachusetts, against the ratio of 1 for 30,000, was that this Government was unlike the State governments, which had an indefinite variety of objects within their power; that it had a small number of objects only to attend to, and, therefore, that a smaller number of Representatives would be sufficient to administer it.

Arguments have been advanced to show that because, in the regulation of trade, indirect and eventual encouragement is given to manufacturers, therefore Congress have power to give money in direct bounties, or to grant it in any other way that would answer the same purpose. But surely, sir, there is a great and obvious difference, which it cannot be necessary to enlarge upon. A duty laid on imported implements of husbandry would, in its operation, be an indirect tax on exported produce; but will anyone say that by virtue of a mere power to lay duties on imports, Congress might go directly to the produce or implements of agriculture or to the articles exported? It is true duties on exports are expressly prohibited; but if there were no article forbidding them, a power directly to tax exports could never be deduced from a power to tax imports, although such a power might indirectly and incidentally affect exports.

In short, sir, without going further into the subject, which I should not have here touched at all but for the reasons already mentioned, I venture to declare it as my opinion that were the power of Congress to be established in the latitude contended for, it would subvert the very foundations and transmute the very nature of the limited government established by the people of America, and what inferences might be drawn or what consequences ensue from such a step it is incumbent on us all to consider.

Mr. STEIWER. Mr. President, the bill came to the Senate containing a provision the effect of which would be to make taxable the lands held by the corporation. As I understand the bill, it contemplates acquisition of title to a considerable area of land and subsequently the sale, under contract by the corporation, of tracts of such land to the persons in whom the title finally would vest.

By an amendment adopted a little while ago on page 12, line 2, the words "acquired and held by the corporation or" were stricken from the bill so that the provision now is in effect that the land held by the purchasers from the corporation shall not be exempt from taxation. A further effect would be that the land held by the corporation would be exempted from taxation.

It occurs to me this is an improvident amendment and that the bill might better have been left as it came to the Senate so that the lands held by the corporation would be subject to taxation.

Mr. BYRD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Virginia?

Mr. STEIWER. I yield.

Mr. BYRD. If the Senator will look at the top of page 6, he will see that the real and personal property held by the corporation is exempt from taxation. I have prepared an amendment to strike that out so the lands and real property of the corporation shall be taxable. In other words, the two provisions were contradictory as contained in the original text.

Mr. STEIWER. I think that is true. I am thoroughly in sympathy with the amendment of the Senator from Virginia. I wanted to make the point that the land ought not to be exempt from taxation.

Mr. BANKHEAD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Alabama?

Mr. STEIWER. I yield.

Mr. BANKHEAD. I think the Senator referred to an amendment which makes subject to taxation the farms which are sold, notwithstanding the title remains in the Government.

Mr. STEIWER. Does the Senator contend that because of the other amendment making the property of the corporation subject to taxation the elimination of the language in line 2, page 12, does not disturb that status of the land, and that it still remains subject to taxation?

Mr. BANKHEAD. It is the purpose of the amendment in the latter section to make it subject to taxation where it is held by the purchaser, but not the property of the corporation, such as its headquarters. Where the purchaser holds the property, it is made subject to taxation.

Mr. STEIWER. I had understood that perfectly, but I had been of the impression that if the land were held by the corporation it would not be subject to taxation. Does the Senator from Alabama agree to that statement?

Mr. BANKHEAD. It would but for the amendment to which the Senator referred. The amendment provides that it shall be subject to taxation notwithstanding the title still remains in the corporation.

Mr. STEIWER. Does the Senator refer to the amendment of the junior Senator from Virginia [Mr. BYRD]?

Mr. BANKHEAD. No; to the amendment which I offered today.

Mr. STEIWER. It is that to which I am inviting attention. As I understood the amendment of the Senator from Alabama, it resulted in striking out, on page 12, line 2, the words "acquired and held by the corporation, or." Is there any other amendment which has been offered during the day which would affect the status of the land so far as its being subject to taxation is concerned?

Mr. BANKHEAD. That is not all of the amendment. The language further is that—

Nothing in this act shall be construed to exempt from taxation any real property bought by any purchaser from the corporation, notwithstanding the title still remains in the corporation.

That is about the way it reads now; that nothing in the bill shall be construed to exempt such property from taxation.

Mr. STEIWER. Does the Senator contend that property which is held by title in the corporation is subject to taxation?

Mr. BANKHEAD. If a purchaser has bought the farm, the purchaser is then liable to taxation, notwithstanding title has not passed out of the corporation.

Mr. STEIWER. I think I am in agreement with the Senator. If the purchaser has not bought the farm, then the land would not be subject to taxation.

Mr. BANKHEAD. No; it would not be. The provision in the Home Owners' Loan Corporation Act is identical with this provision. I see no reason for the Government paying taxes on its own land. It is not contemplated that it is going to hold much land. Certainly the purchasers are subject to taxation.

Mr. STEIWER. I wish to suggest to the Senate that when the United States goes into the landlord business, when it acquires property to be held for the purpose of resale to the ultimate owner, it may have a result which is not contemplated by those who are furthering the legislation.

Within the last year and a half, I believe, the United States has acquired title to something like 15,000,000 acres of land under the guise of acquiring the land for subsistence homesteads. Through the agency of the Federal emergency-relief organization, through the Department of Agriculture, and certain other activities of the Government, the United States has acquired and taken off the tax rolls an area which is said to exceed one-third the size of the State of Maine. The process of acquisition is still going on. Now it is proposed to implement a Federal agency with authority to acquire title to further land and to provide \$1,000,000,000 with which the United States may acquire title to this land and remove it from the tax rolls so long as that title shall be vested in the corporation.

I do not know that any great harm will come to the States, because in the area within the boundary of any one State the amount of the land acquired might be relatively small; but if we regard the situation in a particular county or a particular school district, it is easy to understand that the acquisition by the Federal Government will remove from the tax roll and take away from the tax base possibly 25 or 50 or 75 percent of all the land in that particular school district; and that result will be had without regard to the commitments of that district, the bond obligations outstanding in that district, or in the county which is being affected in the way I have pointed out. Therefore, the effort of the United States in acquiring this land and making itself a landlord will result in the destruction of these subordinate governmental agencies.

I do not see who would want that kind of result to be accomplished. In my State more than 50 percent of all the area is presently federally controlled and off the tax roll. In the State of Nevada, I think, something like 80 percent of all the area is off the tax roll. There are counties in the State of Oregon where 60 to 80 percent of the entire area is off the tax roll. The Government now is acquiring land at a rather rapid pace, and, as I said a little while ago, has acquired an area equivalent to one-third of the State of Maine and taken that off the tax roll. Now it is proposed to extend that effect still further by authorizing an agency in a time of distressed ownership to take a billion dollars and acquire a great body of land and take it off the tax roll, to the utter destruction of school districts and of counties in this country.

It seems to me that the amendment to which I have referred was improper, and that we ought to have permitted the language to stand as the bill came to the floor of the Senate.

Mr. BYRD. Mr. President, I have great confidence in the judgment of the Senator from Oregon. Would it not be necessary also to amend the provision at the top of page 6, because that specifically exempts from taxation property held by the corporation? In other words, we cannot leave the bill as it is, because there is a conflict between these two provisions.

Mr. STEIWER. Yes; I think the Senator from Virginia is quite right; but in order to get a test of the question I was about to move, first, the reconsideration of the vote by which the amendment on page 12 was adopted. If that should develop a sentiment in favor of the taxation of this land, then the further amendment could be offered with respect to page 6.

Mr. BANKHEAD. Mr. President, I do not understand the idea. Does the Senator from Oregon object to making the purchaser pay taxes on the land?

Mr. STEIWER. Oh, no; there is no objection to making the purchaser pay taxes on the land.

Mr. BANKHEAD. That is the object of the amendment which the Senator is moving to reconsider.

Mr. STEIWER. The effect of the amendment in line 2, page 12, unless I am wholly mistaken in my understanding of it, is to relieve the land from taxation while this title is in the corporation.

Mr. BANKHEAD. No; that is where the Senator is in error. The title may remain in the corporation for many years. The effect of the amendment is, notwithstanding the title is in the corporation, that the purchaser is liable for the taxes.

Mr. STEIWER. Does not the first part of subsection (b), as written in the bill, read that—

Nothing in this act shall be construed to exempt any real property—

Mr. BANKHEAD. Yes; as it was originally, it read "any real property \* \* \* held by the corporation." Now, as amended, it reads "any real property \* \* \* held by any purchaser from the corporation." In other words, any land bought from the corporation is not exempt from taxes. Therefore, it is subject to taxes. The purchaser of each farm is liable for taxes whether the title passes to the purchaser or

whether, under the amortization plan, it remains in the corporation.

Mr. STEIWER. There is no difference between the Senator from Alabama and myself as to the construction of that language.

Mr. BANKHEAD. I understood there was.

Mr. STEIWER. The effect of it is to make land subject to taxation after it has been sold to the purchaser.

Mr. BANKHEAD. That is correct.

Mr. STEIWER. I am suggesting that it ought to be subject to taxation at all times, even though the title rests in the corporation.

Mr. BYRD. Mr. President, would not the Senator accomplish his purpose by amending the provision at the top of page 6? That is where the specific exemption occurs for real and personal property held by the corporation. I have an amendment to that effect pending on the desk.

Mr. STEIWER. Is the Senator now prepared to offer that amendment?

Mr. BYRD. It is on the desk. It has been pending for some time.

Mr. STEIWER. If the Senator is prepared to offer that amendment, I ask that he do so first, and let me give further consideration to the necessity of reconsideration of the language on page 12. I will yield to the Senator for that purpose.

The PRESIDENT pro tempore. The committee amendment on page 10, in paragraph (d), has not been acted upon. Without objection, the amendment is agreed to.

Mr. BYRD. I now ask to have my amendment stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. On page 6, lines 1, 2, and 3, it is proposed to strike out:

The corporation, including its franchise, its capital, reserves, and surplus, its loans and income, and its real and personal property shall likewise be exempt from such taxation.

The amendment was agreed to.

Mr. KING. Mr. President, as I understand, the Senate is soon to vote upon the measure under consideration. I have been in attendance upon other committees during most of the consideration of the bill and am not familiar with all the arguments which have been adduced in its favor and the basis of opposition to the same. However, an examination of the bill has convinced me that it is not only unconstitutional, but that it is unsound as an economic or political measure and will bring great disappointment and, indeed, serious consequences. I think it is a most unfortunate and, indeed, a dangerous measure—unfortunate in the expectations which will be aroused and the disappointments which will ensue. It will be exploited by the great bureaucratic forces that will be called upon to administer it and will introduce a disturbing element into our agricultural and economic life. Undoubtedly there will be a Nation-wide propaganda carried forward by those directly and indirectly employed in its administration for the purpose of popularizing it. As a result, as I have indicated, a large number of individuals will expect to avail themselves of its promised advantages and will sooner or later have their hopes and expectations shattered by the stern realities which they will have encountered.

In my opinion, this measure may not be defended upon constitutional grounds, and it is saturated with socialistic, or at least paternalistic, qualities foreign to democratic ideals and the concepts of the founders of this Republic.

The Senator from Oklahoma [Mr. GORE] has just caused to be read excerpts from addresses delivered by one of the great Democratic statesmen of the South, Senator Morgan. May I add that as a boy I learned, in part at least, Democracy from Morgan and Vest and George, and other great statesmen from the South. They carried the Democratic standard and maintained Democratic ideals and traditions. They maintained, against the assaults of reactionaries and those who attempted to concentrate power and authority in the Federal Government not granted to it by the Constitution,

the principles announced by Jefferson and expounded by Madison and others whose names will live as long as this Republic endures.

Undoubtedly there have been powerful centralizing forces operating throughout the land, and the Democratic Party has not been free from their dangerous and destructive influence. As I interpret some of the policies of the Democratic Party, I cannot help but believe Democratic institutions are being subjected to a severe test and the Constitution of the United States to a menacing danger.

It is contended by some that we are now tending toward socialism, or a totalitarian form of government, in which the powers of the States will be lost. But yesterday I read the statement of a professor that this Republic was headed toward a powerful centralized authority which might lead to corporative state or to a modified Nazi form of government. Undoubtedly socialistic forces are finding support in some parts of our country. No one can deny that there are strong elements seeking to undermine the States and to transfer authority which under the Constitution is theirs, to a powerful Federal Government. In my opinion, the fathers of the Republic never contemplated that the National Government would exercise the authority which it has asserted, nor that the States would be weakened, if not devitalized, to the extent which we now witness.

I cannot help but believe that there are influences at work at variance with the principles of the Democratic Party, which if unrestrained will modify the form of Government established by the fathers and jeopardize Democratic institutions. Senators know that great historians have expressed the view that Democratic institutions could not long survive; that centripetal forces would become so powerful as to undermine and destroy democratic forms of government.

It was my purpose, in rising, only to express my profound regret that we should have a measure of this character and to announce that because of its infirmities and its unsound and dangerous tendencies, I would feel constrained to vote against it.

May I add, before taking my seat, that in my opinion the seeds of this measure were, in part at least, provided and sown by the Department of Agriculture under the administration of the present Secretary of that Department. In my opinion the policy pursued with respect to cotton, and for that matter wheat and hogs, was not founded upon any sound or rational policy. Some persons urged the adoption of a policy with respect to cotton, which resulted in reducing production, pegging prices and which, in its operations, has contributed to the creation of tenant farmers, or at least to the unsatisfactory agricultural condition in the cotton States.

It seems to me that no one can defend a policy that destroys property when millions throughout the world are hungry and lacking in clothing and the necessities of life. The destruction of crops and livestock was the destruction of capital, and capital is essential to progress and prosperity. Some of the policies which have been adopted have restricted our exports, and limit not only internal but external trade. What is needed today is greater production, the creation of additional capital, and the opening of domestic and foreign markets.

This is not an auspicious time for increasing bureaus and procuring greater regimentation, and interposing obstacles to legitimate trade and commerce.

Mr. President, the Democratic Party is on trial. It is the repository of the great principles of justice and liberty bequeathed to us by the fathers. It is to be hoped that nothing shall be done to imperil democratic principles or the triumph of the Democratic Party.

The PRESIDENT pro tempore. If there are no further amendments to be offered—

Mr. BAILEY. Mr. President, there are some further amendments to be offered. I wish first to call up the amendment by which I undertake to substitute one hundred million for one thousand million dollars.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 4, line 8, it is proposed to strike out "\$1,000,000,000" and to insert in lieu thereof "\$100,000,000."

Mr. BAILEY. Mr. President, I do not desire to take the time of the Senate to discuss the constitutionality of the measure, but I shall merely make a short statement for the RECORD.

I agree with the Senator from Virginia [Mr. GLASS] and the Senator from Vermont [Mr. AUSTIN]. I thought it was well known that in the enumeration of powers under which Congress operates and the Government lives there was no power to purchase real estate. If anyone has ever found anything in the Constitution authorizing the Government to buy real estate, I should be glad to have him show it to me.

On the particular point at issue, the Government is authorized to purchase not to exceed 10 square miles to be placed under the exclusive jurisdiction of the Congress, and even in that purchase the land must be acquired by the cession of the particular States. It is further authorized to purchase places for the erection of magazines, arsenals, dockyards, and other needful buildings, but even then with the consent of the States.

The clear implication is that if it is necessary to obtain the consent of the States in order to buy needful sites for Government buildings, it certainly would be necessary to have the consent of the States to purchase sites for unnecessary buildings or for the purchase of unnecessary sites. But that is not the real meaning. The real meaning is that the Government cannot buy land except for the necessary purposes of the Government. The implication would be that if it should buy land for necessary or unnecessary purposes it would have to get the consent of the States.

Mr. President, that is all I care to say about that. I was a little bit surprised that the constitutional question was brought up, as I had thought we had unanimous consent sometime ago never again to mention the Constitution.

I shall be glad when we can have a vote on my amendment to substitute one hundred million for a thousand million dollars.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY]. [Putting the question.] The yeas seem to have it.

Mr. BAILEY. I ask for the yeas and nays.

Mr. ROBINSON. Mr. President, I understand there are a number of amendments undisposed of and that probably a final vote on the bill cannot be taken this afternoon. Unless there is some objection, I shall move that the Senate proceed to the consideration of executive business.

Mr. BAILEY. With the understanding that I shall have a vote on my amendment? Is that the understanding?

The PRESIDENT pro tempore. The amendment of the Senator from North Carolina will be pending on the convening of the Senate tomorrow.

Mr. ROBINSON. The question will be on the request of the Senator from North Carolina for the yeas and nays?

The PRESIDENT pro tempore. The Senator from North Carolina has asked for the yeas and nays. Is the request seconded?

The yeas and nays were ordered.

The PRESIDENT pro tempore. When the Senate convenes tomorrow, the question will be on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY], on which question the yeas and nays have been ordered.

#### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Banking and Currency, reported favorably the nomination of Marriner S.

Eccles, of Utah, to be member of the Federal Reserve Board, for the unexpired portion of the term of 10 years from August 10, 1928, vice Eugene R. Black, resigned.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

#### FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. TYDINGS. Mr. President, one of our recent colleagues, former Senator Goldsborough, of Maryland, who sat in this body until a few months ago, has been nominated by the President as the minority member of the board of directors of the Federal Deposit Insurance Corporation. I have conferred with both the Democratic leader and the Republican leader in regard to the nomination, and I ask unanimous consent that the nomination be taken from the table and acted upon immediately.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will read the nomination.

The legislative clerk read the nomination of Phillips Lee Goldsborough, of Maryland, to be a member of the board of directors of the Federal Deposit Insurance Corporation for the unexpired term of 6 years from September 6, 1933, vice Elbert G. Bennett, resigned.

Mr. FLETCHER. Mr. President, ordinarily the nomination would go to the Committee on Banking and Currency. Senator Goldsborough was a member of that committee for some time, however, and I feel very much disposed to join in the request for unanimous consent for his confirmation without reference of the nomination to the committee.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. TYDINGS. I further ask unanimous consent that the President may be notified that the nomination has been confirmed by the Senate.

The PRESIDENT pro tempore. Without objection, the President will be notified.

The calendar is now in order.

#### PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Dr. Harry C. Knight to be assistant surgeon.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

#### RECESS

Mr. ROBINSON. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Wednesday, April 24, 1935, at 12 o'clock meridian.

#### NOMINATION

*Executive nomination received by the Senate April 23 (legislative day of Apr. 15), 1935*

#### FEDERAL DEPOSIT INSURANCE CORPORATION

Phillips Lee Goldsborough, of Maryland, to be a member of the board of directors of the Federal Deposit Insurance Corporation for the unexpired term of 6 years from September 6, 1933, vice Elbert G. Bennett, resigned.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate April 23 (legislative day of Apr. 15), 1935*

#### FEDERAL DEPOSIT INSURANCE CORPORATION

Phillips Lee Goldsborough to be a member of the board of directors of the Federal Deposit Insurance Corporation.

#### PUBLIC HEALTH SERVICE

Dr. Harry C. Knight to be assistant surgeon.

#### POSTMASTERS

##### ARIZONA

Harriet C. Dean, Duncan.

##### ARKANSAS

Harvey H. Fuller, Eureka Springs.

##### KENTUCKY

J. Roy Cox, Livermore.

Laura B. Blackburn, Versailles.

##### MICHIGAN

John L. Swartout, Addison.

Ozro K. Hess, Akron.

Helen M. Mitchell, Algonac.

Abbie J. Mackley, Armada.

Charles W. Holt, Athens.

Grace S. Shearer, Auburn Heights.

George P. Siagkris, Base Line.

Bernie C. McLeish, Bay Port.

Benjamin J. Beasley, Britton.

LaVern D. Cash, Brooklyn.

William H. Cronin, Brown City.

Henry Miltner, Cadillac.

Cornelius Oosta, Caledonia.

Kay Rice, Camden.

Leo A. Jonas, Capac.

Harzey J. Fisher, Crystal.

Sarah G. Howard, Custer.

Frederick M. Cunningham, Dexter.

Fred W. Schroeder, East Detroit.

Joseph F. Roberts, Elkton.

George B. McIntyre, Fairgrove.

Norman C. Lee, Farmington.

Harry T. McKerring, Flushing.

Roscius G. Southworth, Galesburg.

James L. Heslop, Gladwin.

Samuel J. Leach, Hersey.

Peter P. Quinlan, Keego Harbor.

Leo G. Burns, Kingston.

Leon T. Gilson, Lake Odessa.

Stuart J. Haddrill, Lake Orion.

Frank E. Moore, Lakeview.

Emmett E. Scofield, Leslie.

Royal L. Beckwith, Luther.

Elizabeth M. Lynch, Mayville.

Lloyd M. Kohn, Mesick.

Clare E. Bishop, Millington.

James F. Jackson, Mohawk.

Emily E. Derr, Montgomery.

Edna L. Mitchell, Morley.

Anna S. Warner, Mount Pleasant.

Albert A. LeFevre, New Baltimore.

Claude J. Tessman, New Haven.

William E. Frederick, North Adams.

Earl H. Snow, Otsego.

James J. Harrington, Painesdale.

Jessie M. Stackhouse, Rochester.

Glenn Davis, Rockford.

Victoria S. Nye, Rose City.

Gilbert H. Davis, Royal Oak.

Joseph W. Zinger, Ruth.

Glenn Cline, Sherwood.

Jacob E. Whitcomb, Spring Lake.

Charles E. Weaver, Standish.

Archie M. Stinchcomb, Sunfield.

Willard A. Beuerle, Suttons Bay.

Albert M. Lewis, Swartz Creek.

Bert Shedd, Tekonsha.

Florence G. Street, Wheeler.

Hazel A. Graham, Whittemore.

Matthew Max, Ypsilanti.

##### TENNESSEE

Emmie A. Williams, Green Brier.

James E. Burke, Morristown.

## HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 23, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father and our Lord, let us be silent that we may hear Thy whisper. O breath of God, let a spiritual tide flow into our souls, as in humility and reverence we lift them up to Thee. Thou hast called us to high and holy living, which gives rewards beyond our finest dreams. Be with us in the service with which we have been so signally honored. In all circumstances keep us brave and strong to seek the truth and do the right. O divine Presence, be with us like the sunbeams that break from the golden window of the east, a joy-giving, illuminating, and a transforming power. And Thine shall be the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1572. An act to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended.

The message also announced that the Vice President had appointed Mr. GLASS and Mr. HALE members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of useless papers in the office of the Comptroller General.

## THE JUDICIARY COMMITTEE

Mr. DUFFEY of Ohio. Mr. Speaker, I ask unanimous consent that the Judiciary Committee may be permitted to sit during the sessions of the House for today and tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## MEMORIAL EXERCISES

Mr. HAMLIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAMLIN. Mr. Speaker, I send the following resolution to the desk and ask for its immediate consideration:

## House Resolution 201

*Resolved*, That on Tuesday, May 21, 1935, immediately after the approval of the Journal, the House shall stand at recess for the purpose of holding the memorial services as arranged by the Committee on Memorials under the provisions of clause 40a of rule XI. The order of exercises and proceedings of the service shall be printed in the CONGRESSIONAL RECORD, and all Members shall be given the privilege of extending their remarks in the CONGRESSIONAL RECORD. At the conclusion of the proceedings the Speaker shall call the House to order and then, as a further mark of respect to the memories of the deceased, he shall declare the House adjourned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## THE TEXTILE INDUSTRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the lady from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to call the attention of the House again to the very serious plight of the textile industry; and when I say the textile industry I mean the 9,000,000 people who earn their liveli-

hood in the raw-cotton industry as well as the textile manufacturers—456,000 people who nominally and ordinarily earn their livelihood in the cotton mills.

Yesterday I urged the President of the United States to appoint on the Cabinet committee a member of the cotton-textile industry, a manufacturer, and also a representative of textile labor. Mr. Speaker, I hope very much that the southern Members of Congress will join me in a request that a cotton farmer be placed on that board and also a man or woman who earns his or her livelihood from raw cotton.

This is not a sectional matter, Mr. Speaker; it is a national matter. The people in the Speaker's State of Tennessee, and Georgia, Alabama, North and South Carolina, all of the Southern States that I have visited, are just as much interested in this problem as I am. I believe that the Cabinet needs the advice of the manufacturer, the worker in the mills, the cotton farmer, and the cotton worker.

Mr. FULMER rose.

Mrs. ROGERS of Massachusetts. I cannot yield. I have only 5 minutes. This is not a matter that concerns me alone. It concerns the entire Nation.

Upon that Cabinet board is the Secretary of State, Mr. Hull. I know Mr. Hull to be perfectly sincere in his belief about reciprocal trade relations. He has not believed in a tariff in the past, and we Members who have worked with him know that. I have the highest regard for his integrity and his sincerity, but I do not agree with him. I shall not discuss Secretary Wallace at length. He said that New England "whined." I find that New England does not whine, but that it roars its disapproval of his methods, and when he spoke of the textile industry of New England not being successful, he forgot that 51 textile industries have been closed or partially closed since the beginning of the year and that a majority of those industries are in the South. So if his arraignment applied to New England, it also applies to the South.

Mr. Speaker, there is something radically wrong when our mills are closing, not one by one but by several in a week. We must do something immediately, and I earnestly ask the Members to help me relieve the situation. I know that the Southern Members are just as much interested as I am, they are just as anxious for action, and I wish they could all speak out loud on the floor of the House and say what they think. They may be embarrassed to do so, but in the long run they would help not only their constituents but, according to my belief, they would help the President of the United States in inducing him to act before it is altogether too late.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

## THE PROCESSING TAX ON COTTON

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein a letter from Clarence Poe, the editor of the Progressive Farmer and Southern Ruralist, dated April 20, 1935, enclosing a resolution adopted by the North Carolina State Council Cotton Committee.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. COOLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter from Clarence Poe, editor of the Progressive Farmer and Southern Ruralist, dated April 20, 1935, enclosing a resolution adopted by the North Carolina State Council Cotton Committee:

## PROGRESSIVE FARMER AND SOUTHERN RURALIST,

Raleigh, N. C., April 20, 1935.

Senator J. W. BAILEY,  
Senator ROBERT R. REYNOLDS,  
Hon. HAROLD D. COOLEY,  
Hon. LINDSAY C. WARREN,

Washington, D. C.

DEAR FRIENDS: The enclosed resolutions explain themselves. You have no doubt heard that the North Carolina House of Representatives has already passed by a vote of 52 to 18 a resolu-

tion rescinding its action in asking for the repeal of the processing tax, and the senate will probably act on this Monday.

You will see from resolution no. 7 that the North Carolina Senators are asked to present this resolution to President Roosevelt and Secretary Wallace and that as the North Carolina member of the House Agricultural Committee Mr. COOLEY is asked to present the resolution to his committee and have it published in the CONGRESSIONAL RECORD in which the resolution of the general assembly has already been published.

I am also sending a copy of this resolution to Congressman WARREN, who, I am sure, will be interested in it in view of the announcement that he is preparing an address defending the A. A. A.

Earnestly hoping each of you will carefully consider the facts set out in this statement, I am with best wishes,

Yours sincerely,

CLARENCE POE.

AN APPEAL TO THE NORTH CAROLINA LEGISLATURE AND TO NORTH CAROLINA SENATORS AND REPRESENTATIVES IN CONGRESS IN BEHALF OF MAINTAINING THE PROCESSING TAX ON COTTON

To the Members of the North Carolina General Assembly and to the North Carolina Senators and Representatives in Congress:

GENTLEMEN: On behalf of the cotton growers of North Carolina, whose interests we have been commissioned to defend, the North Carolina State Council Cotton Committee, representing 190,000 cotton producers in 79 counties and the legislative representatives of the Grange representing 53 counties, hereby offers the following statement and appeal:

1. We earnestly urge the General Assembly of North Carolina to rescind its hurriedly passed and inadequately considered resolution demanding the repeal of the processing tax, and we would remind our Congressmen that the resolution was passed without any opportunity for a hearing from the agricultural interests of our State and in direct violation of their wishes.

2. A Nation-wide campaign is now on to break down the present A. A. A. program, which has brought incalculable benefits to North Carolina cotton growers and tobacco growers, with the result that North Carolina is the only State whose crop values last year were 150 percent more than in 1932. That the law-making body of the State which has benefited so greatly should make haste to give aid and comfort to the enemies of the program, seems to us a matter for profound regret and amazement.

3. In contrast to the wild and misleading statements that have been made about the processing tax we would remind our lawmakers and the public that this processing tax plus the market price of cotton combine to give the cotton farmer only the same parity price or purchasing power (now about 16 cents per pound) that he received in pre-war years 1909-14. Everyone with any knowledge of farm conditions knows that even this price is too low to maintain modern American living standards for the bulk of cotton growers.

4. We give it as our emphatic opinion that the difficulties of the textile industry are not primarily due to the processing tax, but to other causes, as should be made evident by the fact that the processing tax adds only 3 cents to the cost of a work shirt, only 8 cents to the cost of a pair of overalls, and similarly for other cotton products. Even these small costs, in our opinion, are borne by the consumer. We are sympathetic with all fair and reasonable proposals for helping the textile industry, but would reiterate that if they should succeed in destroying the processing tax, the most far-reaching result would be the destruction of the purchasing power among millions of their own patrons on the cotton farms of the South.

5. We also resent any effort to have the equivalent of the processing tax paid out of relief funds and the impression thereby given that cotton farmers are recipients of charity instead of being entitled as a matter of justice to pre-war parity prices through the processing tax—and also making the receipt of parity prices a temporary expedient instead of a permanent objective of government.

6. We note with regret the statement of some New England mills that they may be forced to close down temporarily unless the processing tax is repealed. We would remind our lawmakers and the public that during the past 50 years the failure of Government to give agriculture equal benefits with industry has resulted in permanently bankrupting tens of thousands of North Carolina cotton farmers, as is proved by the fact that tenancy has increased in this State from 33 percent to 49 percent. We insist that whatever help is given the textile industry must not be through the bankruptcy of agriculture.

7. We hereby request Hon. HAROLD D. COOLEY, the North Carolina member of the House Agricultural Committee, to present this matter to the House committee and have this resolution published in the CONGRESSIONAL RECORD which carried the resolution of our general assembly, and that our Senators present it to President Roosevelt and Secretary Wallace.

Signed on behalf of the North Carolina State Council Cotton Committee:

G. T. Scott, Selma, N. C.; C. A. Johnson, Tarboro, N. C.; T. J. Purdie, Fayetteville, N. C.; W. V. Williams, Wingate, N. C.; L. O. Moseley, Kinston, N. C.; Tom Cornwell, route 1, Shelby, N. C.; W. L. Powell, Windsor, N. C.; J. C. Byrd, route 1, Erwin, N. C.

Signed on behalf of North Carolina State Grange:

Clarence Poe, Past Master and Legislative Representative;  
B. W. Kilgore, Legislative Representative.

NEW DEAL FAILS TO RECOGNIZE BASIC CAUSES OF UNEMPLOYMENT

Mr. HOEPEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include certain references furnished me by Dr. R. Dielmann, of the Library of Congress.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, what does the document deal with?

Mr. HOEPEL. Mr. Speaker, this report deals with labor displacement by machinery. In one instance it shows where one machine put 175 men out of work. There are certain excerpts from the report which I wish to include.

Mr. RICH. Mr. Speaker, I may say to this enlightened gentleman of the Democratic Party that he is doing a real service if he can do something to eliminate mass production, which we must do, if we are going to put people back to work. I shall not object.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOEPEL. Mr. Speaker, according to today's press, there are more unemployed now than there were a year ago. Notwithstanding the fact that we have appropriated billions of dollars for the purpose of creating employment, we continue to flounder in the bog of unemployment with little, if any, promise of solving this most important problem. I do not wish to be unduly critical of the new-deal objectives, but the fact remains—at least, it is my opinion—that our efforts thus far have been of little or no avail. We have dealt too much with the effects and not enough with the cause.

During and following the World War the development of labor-saving devices took on added impetus. Not only did we develop the machine to the utmost of efficiency, primarily with the objective of economy in production costs, but we also went to the extreme of selling these labor-saving devices abroad to our competitors, establishing American factories abroad, and equipping them with labor-saving machinery. Like a double-bladed ax, the machine has increased unemployment here at home through its displacement of human labor, and at the same time it has in many instances practically closed foreign markets to our manufacturers, because foreigners, with American-manufactured, mass-production machinery, are now equipped to produce the things they require at less cost than they can be manufactured in America and transported abroad.

Organized labor recognizes that mass-production machinery has contributed more than any other agency to our present problem of unemployment. Organized labor proposes to correct this situation by a reduction in hours of employment and is now advocating the 30-hour week. This was also the indirect objective of the N. R. A.

The technotax, which I propose, is a tax to be placed on machines or the products of machines, on a basis of the number of workers displaced. We did not hesitate to suppress, through a tax suggestion, the Maxim silencer as a public menace to life. The use of poisonous gases and other unnecessarily destructive discoveries and inventions, and even narcotics, is limited, controlled, and even prohibited through taxation and otherwise. The modern mass-production machine is likewise a menace to the general welfare of our people. It is not proposed to eliminate or abolish the machine, as we all recognize its efficacy, but it is my opinion that the profits derived from the machine should be more equitably distributed.

Dr. Dielmann, a member of the Legislative Reference Service of the Library of Congress, has made a study of the displacement of human labor by modern machinery and her statement of fact, dated March 26, 1935, in my estimation, proves conclusively that the machine, with its resultant displacement of human labor, must be held largely responsible for unemployment as we know it today. I shall not include her entire report herewith, which is somewhat lengthy, but the following facts which she has presented are so significant that I feel they merit the consideration of every thinking person:

The Austin Motor works employed 55 men per car manufactured in 1922, and 8 men per car manufactured in 1934.

A survey of the meat-packing industry by the Bureau of Labor Statistics showed three large plants were producing as large an output with 2,072 men in 1931 as they could with 2,585 men in 1914. The survey of three medium-sized plants showed that the 1921 rate of output by 2,020 men could be accomplished in 1931 by 1,264 men.

In 1911 cotton yarn was produced at the rate of 10.08 pounds per man-hour; in 1916, 10.57 pounds; in 1925, 11.59 pounds. Cotton cloth was produced at the rate of 7.95 pounds per man-hour in 1911, 8.26 pounds in 1916, and 10.31 pounds per man-hour in 1925. The number of looms tended by a single worker in the cotton mills was increased from 12 to 60 within a few years.

The invention of labor-saving machinery in printing and publishing business has displaced 3 or 4 workers out of 5.

In 1896 it required 40 compositors 10 hours to compose a 4-page newspaper. In 1916 the same work could be accomplished by 26 workers in 8 hours, and in 1926 by 21 workers in 7 hours.

It required 51 men to produce the amount of coke in the beehive ovens that is now produced by 10 men with mechanized ovens.

In 1921 the average annual output per wage earner in the rubber-tire industry was 449.1 tires; in 1927 it was 822.5 tires; in 1929, 843 tires; and in 1931, 1,015.5 tires.

The man-hour productivity in leather-tanning industries increased 52 percent from 1899 to 1927. Between 1923 and 1931 it is estimated that about 16,277 workers were displaced in 5 branches of the industry surveyed by the Department of Labor.

The Owens automatic machine for glass blowing increased productivity of labor 3,806 percent over the hand process in the manufacture of 2-ounce prescription bottles, 4,009 percent in the manufacture of 4-ounce prescription bottles, 1,349 percent in the manufacture of 1-quart milk bottles, and 3,026 percent in the manufacture of 25-watt electric-light bulbs. From 1899 to 1925 the productivity of labor was increased 318 percent in the manufacture of pressed glassware, 271 percent in the manufacture of window glass, and 201 percent in the manufacture of plate glass. (On this basis the number of glass blowers declined over 300 percent.)

Considerable gains have been made in man-hour productivity in the brick industry owing to improving machinery, mechanical handling, improved quality of the clay, and improved process of burning.

Productivity of labor in blast furnaces measured by the year 1889 as an index had reached 154 in 1899, 298 in 1919, and 711 in 1928. In rolling mills and steel works, taking the same index (1889 equals 100), productivity of labor had reached 153 in 1899, 180 in 1919, and 257 in 1929.

Between 1850 and 1925 the number of workers in the pig-iron industry increased 44 percent, while the production per man increased 4,928 percent and output increased 7,178 percent. In 1919 it required 6.9 man-hours to produce a gross ton of pig iron. In 1927 a ton could be produced in 3.3 man-hours.

One automobile plant required an average of 4,664 man-hours to produce an automobile in 1912, and 813 man-hours in 1923. A new type of metal-heating furnace has increased production per man two and two-thirds times. Machine forging doubled production per man. A special machine for the manufacture of pressed-steel frames operated by 1 man displaced the labor of 175 men.

A company introduced an improved type of drop hammer and increased output 30 to 40 percent while employing 280 men to do the work formerly accomplished by 480 men. It formerly required 3 or 4 days for an open wrench to go from the forging hammers to the stock room. Improved machinery and handling reduced the time to 6 hours.

Employment in the manufacture of textile machinery and parts was 88.1 in 1929, 71.2 in 1930, 61.3 in 1931, 48.7 in 1932, and 61.7 in 1933. It is estimated that 1,620,000 workers in machine and tool manufactories have been unemployed since 1929.

In addition to the foregoing—

We have machinery to milk cows.

We have machinery to pick cotton, throwing thousands of Southern laborers out of work, forcing the Government to maintain them and their families.

We hitch 24 plows behind one tractor and plow thousands of acres of land in one operation. What about the man who formerly followed the plow?

We have teletype machines, supplanting thousands of telegraph operators.

We have the dial system which displaces hundreds of thousands of telephone operators.

We have the ditch digger, with a small crew of 3 or 5 men, who can do more work in 1 day than 100 men did before the advent of road machinery.

These are only a few of the hundreds of labor-saving machines which create unemployment, the use of which, in the majority of instances, results in little or no saving to the consumer.

The machine which takes the place of man does not, however, take over the burden of taxation nor does it consume the products of man as does the laborer. The individual, employed and unemployed, is still called upon to carry the burden of taxation, while at the same time we fail to place a reasonable share of the load upon the profiteers of mechanical progress who continue to take to themselves the economic advantages resulting from mass production.

We should further bear in mind that the mechanical man or machine does no buying; it is merely an inanimate object which adds to the profit of the owner. It does not spread purchasing power, but rather, instead, concentrates wealth.

The motor vehicle, represented in the automobile, the truck, and the tractor, is about the only known labor-saving machine which is taxed—it is taxed through the medium of gasoline—notwithstanding that it serves a dispersed humanity, and from this standpoint should bear the least taxation.

The mechanical man, in the hands of entrenched wealth, has enslaved the population even in greater measure than the white race enslaved the black, which is now history. The modern labor-saving machine, which, as I have just related, has enslaved modern man, is not the only contributing factor to our present business stagnation, but it is at least a major one. In my opinion, the technotax and the control and extension of credit by the Government to industry and to the citizen afford the two basic methods of approach to a solution of our problems and the attainment of actual and permanent recovery.

Our present difficulties are not due to overproduction. This is self-evident to anyone who will consider the present lowered standard of living of the majority of workers, many of whom are virtually in rags as a result of prolonged unemployment and lack of purchasing power. Even the regularly employed and the partially employed have cut their buying to a minimum, due to the uncertainty of recovery. This is proof conclusive that overproduction is not the cause of our unemployment.

The technotax—that is, a graduated or fluctuating tax on the machine—and the control of credit by the Government, however, will permit production to the fullest possible extent consistent with a decent standard of living and, at the same time, applied as a stabilizing influence they will forever prevent ruinous overproduction and the constantly recurring economic ups and downs, more popularly termed "booms and depressions."

Sir William Beveridge stated:

The cause of a man's being unemployed is not that which led him to lose his last job but that which prevents him from getting another job now.

The above statement epitomizes our present problem, for the unfortunate unemployed today faces the juggernaut of the machine which, in one instance, forces him into unemployment, and, in the next instance, prevents him from obtaining another job.

Stuart Chase said:

Machinery did not inaugurate the phenomenon of unemployment but promoted it from a minor irritation to one of the chief plagues of mankind.

The statements of these distinguished economists evidence without doubt that technological development has been one of the basic contributing factors to our present unemployment situation. With these pertinent positive facts before us, the question at issue is, Shall we permit the machine to further enslave and hold the unemployed in the bondage of despair, or shall we exercise intelligence and initiate a real new deal by taxing the owners of the juggernauts of mass production and utilizing these funds, the profits of mechanical progress, for the benefit of the people?

We are taught, in the wisdom of the Bible, that man was made to enjoy the fruits of this earth, but if we may judge from the situation in which we now find ourselves, it would, on the contrary, appear to be true that the earth, and even man himself, was created to be the docile servant of entrenched wealth and the modern machine. We must break the chains of our economic serfdom, outlaw forever the exploitation of human life, labor, and inventive genius in the interests of a privileged few, and restore to our people their God-given heritage of freedom and equality, vouchsafed to them in our Constitution.

LEAVE TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

Mr. TAYLOR of Colorado. Mr. Speaker, I reserve the right to object. I feel that the Naval Affairs Subcommittee of the Committee on Appropriations has a right to have their bill taken up now. There will be ample time in general debate for Members who wish to address the House. The gentleman from Kentucky [Mr. CARY], the chairman, is ready to take up that bill and is trying to obtain recognition for that purpose. These speeches can just as well wait a few minutes until we get into the Committee of the Whole.

Mr. CONNERY. This is information that I want to give the House in reference to the address just made by the gentlewoman from Massachusetts [Mrs. ROGERS].

Mr. TAYLOR of Colorado. Will not that keep for a few minutes?

The SPEAKER. Is there objection?

Mr. TAYLOR of Colorado. Mr. Speaker, I feel I must object to any further speeches until the House gets into the Committee of the Whole.

Mr. DUNN of Mississippi. Mr. Speaker, I dislike very much to submit any sort of request that may discomfort this important bill which this committee has labored on so long, but I ask unanimous consent that tomorrow, after the reading of the Journal and the disposition of business on the Speaker's table, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. On what subject?

Mr. DUNN of Mississippi. It has to do with national tubercular sanitariums.

Mr. MARTIN of Massachusetts. Why could not the gentleman speak about that under general debate?

Mr. DUNN of Mississippi. I would rather have this permission to speak in open house if the gentleman would be so kind.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object for the present.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that tomorrow, after the reading of the Journal and the disposition of matters on the Speaker's table, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Could not the gentleman speak under general debate on the Navy appropriation bill?

Mr. WOODRUM. Mr. Speaker, I have always felt that debate on appropriation bills, or on any bill, for that matter, should have some resemblance to the matter under consideration just as a matter of orderly procedure.

I would very much prefer to make the speech in the House. It does not consume any more time. Thirty minutes one place is the same as 30 minutes at another place.

Mr. MARTIN of Massachusetts. But it requires every other Member of the House to stay here until we do go into the Committee of the Whole.

Mr. WOODRUM. I do not require the gentleman to stay here.

Mr. MARTIN of Massachusetts. In general debate the time is divided equally, and in that way the gentleman's side would get 30 minutes more than our side.

Mr. WOODRUM. Well, it is the gentleman's privilege to object if he desires to do so.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

SALE OF PROPERTY UNDER ORDERS AND DECREES OF UNITED STATES COURTS

Mr. CHANDLER. Mr. Chairman, I ask unanimous consent for the present consideration of the bill (S. 1572) to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain the bill?

Mr. CHANDLER. The purpose of the bill is to amend the present law with reference to the sale of land in United States courts. The emergency arises because of the necessity for the entry of an order in the United States court at Los Angeles, Calif., tomorrow, if possible, to enable the collection of a judgment which the United States has, growing out of the Fall and Doheny oil lease transactions. It is to expedite the sale of these lands which are situated in several different Federal court districts, and the present law is not considered sufficiently broad to accomplish this.

Mr. MARTIN of Massachusetts. Has the gentleman consulted the minority members of the committee with reference to his action?

Mr. CHANDLER. Yes. The gentleman from New Jersey [Mr. PERKINS], who is ranking member on the subcommittee which considered this particular bill, has expressed his approval of it, and it has the unanimous report of the House Committee on the Judiciary.

Mr. MICHENER. Reserving the right to object, I think the bill is all right, but I do not like this practice. I do not think any committee should call up important legislation like this under these circumstances, without at least conferring with the minority members of the committee. I am for the bill, but I do not like the practice, and in the future I shall object, even though it comes from my own committee.

Mr. CHRISTIANSON. Reserving the right to object, is this bill general, or does it only have particular application to this case?

Mr. CHANDLER. It is of general application, although its particular purpose in being brought up now is to expedite the sale of these particular lands in several districts of the Federal court.

Mr. CHRISTIANSON. Does not the gentleman think he ought to explain to the House what the bill provides?

Mr. CHANDLER. I will do my best to explain it.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.,* That the act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893 (ch. 225, 27 Stat. 751, as amended; U. S. C., title 28, secs. 847, 848, and 849), be, and it is hereby, amended to read as follows:

"SECTION 1. All real estate or any interest in land sold under any order or decree of any United States court shall be sold at public sale at the courthouse of the county, parish, or city in which the property, or the greater part thereof, is located, or upon the premises or some parcel thereof located therein, as the court rendering such order or decree of sale may direct, said sale to be

upon such terms and conditions as said court shall approve: *Provided, however*, That if said property shall be situated in more than one county, State, judicial district of the United States, or judicial circuit of the United States, whether in one or more parcels, said property shall be sold as a whole or in separate parcels at public sale at the courthouse of the county, parish, or city in which the greater part thereof is located or upon the premises or some parcel thereof as the court rendering such order or decree of sale may direct: *And provided further*, That if at the time said property is offered for sale it is in the possession of a receiver or receivers, or ancillary receiver or ancillary receivers, appointed by one or more district courts of the United States, said property wherever situated shall be sold at public sale in the district of primary jurisdiction at the courthouse of the county, parish, or city situated therein in which the greater part of said property in said district is located or on the premises or some parcel thereof located in such county, parish, or city therein as the court having primary jurisdiction by such order or decree of sale may direct, unless said court shall order the sale of the properties or one or more parcels thereof in one or more ancillary districts. The United States court having primary jurisdiction shall be deemed to be the court first appointing any such receiver.

"After a hearing of which notice to all interested parties shall be given by publication or otherwise as the court may direct, the court may order and decree the sale of such real estate or interest in land or any part thereof at private sale for cash or other considerations and upon such terms and conditions as the court directing the sale may approve, if it finds that the best interests of the estate will be conserved thereby: *Provided*, That before confirmation of any private sale, the court shall appoint three disinterested persons to appraise said property or, if the court deems advisable, different groups of three appraisers each to appraise properties of different classes or situate in different localities, and no private sale shall be confirmed at a price less than two-thirds of the appraised value: *Provided further*, That before confirmation of any private sale, the terms of such sale shall first be published in such newspaper or newspapers of general circulation as the court having jurisdiction may direct at least 10 days before confirmation; and such private sale shall not then be confirmed by said court where a bona fide offer has been made, under such conditions as said court may prescribe, which offer shall guarantee at least a 10-percent increase over the offered price specified in such private sale. The provisions of this section shall apply to sales and proceedings now pending in the courts of the United States as well as those commenced hereafter. The provisions of this section shall not apply to sales and proceedings under the Bankruptcy Act.

"Sec. 2. All personal property sold under any order or decree of any court of the United States shall be sold as provided in section 1 of this act, unless in the opinion of the court rendering such order or decree, it would be best to sell it in some other manner. The provisions of this section shall apply to sales and proceedings now pending in the courts of the United States as well as those commenced hereafter. The provisions of this section shall not apply to sales and proceedings under the Bankruptcy Act.

"Sec. 3. No sale of real estate ordered pursuant to the provisions of this act by any order, judgment, or decree of any United States court, other than a private sale, shall be had without previous publication of notices of such proposed sale being ordered and had once a week for at least 4 weeks prior to such sale in at least one newspaper printed, regularly issued, and having a general circulation in the county, State, judicial district of the United States, or judicial circuit of the United States where the real estate proposed to be sold is situated, if such there be. If said property shall be situated in more than one county, State, judicial district of the United States, or judicial circuit of the United States, such notice shall be published in one or more of the counties, States, judicial districts of the United States, or judicial circuits of the United States where said property is situated, as the court may direct. Said notice shall be substantially in such form and contain such description of the property by reference or otherwise as the court ordering the sale shall approve. The court may, in its discretion, direct that the publication of the notice of sale herein provided for be made in such other newspapers as may seem proper. The provisions of this section shall apply to sales and proceedings now pending in the courts of the United States as well as those commenced hereafter in said courts. The provisions of this section shall not apply to sales and proceedings under the Bankruptcy Act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### THE COTTON PROGRAM CARRIES ON

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address delivered by Hon. Henry A. Wallace, Secretary of Agriculture, at Atlanta, Ga., on April 13, 1935, on the subject The Cotton Program Carries On.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Reserving the right to object, this address comes from Henry A. Wallace, a gentleman who is doing more to damage and injure the farmers of this country than any other man.

The regular order was demanded.

Mr. RICH. I think we ought to give consideration to these speeches.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, under the leave granted me to extend my remarks in the RECORD, I include the address delivered by the Secretary of Agriculture, Hon. Henry A. Wallace, at a meeting of the cotton growers of the South, at Atlanta, Ga., on Saturday, April 13, 1935, as follows:

I welcome the opportunity to return to Georgia and discuss with this group some of the elements in the cotton situation.

Two years ago this month the Agricultural Adjustment Act was nearing the final stages of enactment in Congress.

One of the principal reasons for adoption of the act was the crisis in cotton. The cotton situation in 1932 and early 1933 was briefly this:

The average farm price stood at 4.6 cents a pound at the low point in June 1932. While the things farmers bought in 1931-32 averaged 14 percent above the pre-war level, the prices they received for cotton averaged 54 percent below the pre-war level. Gross farm income from cotton and cottonseed had fallen from \$1,470,000,000 in 1928-29 to \$464,000,000 in 1932-33. This meant a decline in the average gross income per farm family from cotton and seed from \$735 to \$232. This collapse in cotton prices and income, which was calamitous, not only to the South but to the entire country, was caused by the combined influence of increasing production and declining demand. Together these resulted in mountainous cotton supplies which clogged the market and crushed the price.

What is the picture in 1935? The average farm price of cotton as of March 15, 1935, was 11.5 cents a pound. The things farmers bought averaged 28 percent above the pre-war level, while the prices they received for cotton averaged 7 percent below the pre-war level. This discrepancy was made up in part by benefit payments to farmers cooperating in the adjustment program. The farm value of cotton and cottonseed, including rental and benefit payments, had risen from \$464,000,000 in 1932-33 to around \$862,000,000 in 1933-34, and will be maintained at near that figure in 1934-35. This striking improvement has resulted from the three great component parts of the present cotton program—the cotton-adjustment and benefit-payment plan, the cotton loan, and the Bankhead Act. Devaluation of the dollar, of course, also was a factor. The increase in cotton price and income rests upon a foundation of improved supply. For while still far above normal, the world carry-over of American cotton has been reduced from 12,960,000 bales in August 1932 to 10,634,000 bales in August 1934. Prospects are that the carry-over next August will be about 8,500,000 bales.

But in spite of the improvement in farm prices and in farm income of the cotton growers of the South, arguments have recently been advanced in some quarters that this country should discard the cotton program or, what might easily amount to the same thing, emasculate it of features so vital that their loss would invite its early termination.

The agitation against the present cotton program has taken several forms. The effort of certain textile manufacturers to get rid of the processing tax is the spearhead of the movement. They should realize that the cotton program could not long be maintained without a continuing source of revenue which would not run up the public debt. The cotton program also has been threatened by the demand of American exporters to end production adjustment without waiting for scale-down of the carry-over to anywhere near normal. From these quarters has come pressure for discontinuance of the cotton loans. They also opposed the Bankhead Act in the referendum which resulted in a 9-to-1 vote of farmers in favor of continuance.

The situation developed to a point where it became important for the cotton farmers of the South and the business and industrial groups of the South and North to recognize these attacks, taken altogether, as meaning a push to end the cotton program. Of course, many sincere individuals objecting to phases of the program do not at all intend their opposition to extend to the rest of the cotton plan. Once the cotton-processing tax is removed, the end would be in sight for the cotton plan and other farm programs. The benefit and rental-payment part of the farm program would be destroyed by loss of its continuing source of revenue. Farmers everywhere in the United States, who look upon the Agricultural Adjustment Act as an instrument of equality and of farm recovery in general, had to face the fact that the drives of the different opponents if merged into a successful movement would undermine the act. The responsible officials of this administration also had to face it.

Within the past few days the time came to weigh the advantages of the cotton program against various proposals to end or emasculate it and to make a decision. The overwhelming vote

for the Bankhead Act seemed to be a clear mandate from the cotton farmers to continue. So, at least for 1935, the cotton program will go on.

In view of the decision to go forward, announced Wednesday by the administration, I feel it is important for the country, and especially for the cotton and textile industry, to understand the reasoning that lies behind the decision.

From both a national and a regional point of view the best cotton program would be the one which, without exploiting domestic consumers, would bring the largest continuous income to the cotton industry. This is the objective of the present cotton plan.

Therefore, as proposals to alter our course have been made, it has been necessary to weight the arguments for each one of them against the loss of cotton income which would result from termination or drastic change of the program. The test is not whether an about face offers any advantages, but the more vital question of whether these advantages would offset the sacrifices of cotton farmers which would be involved.

To make the situation absolutely clear, the advantages claimed for abandoning or revamping the program will be described one at a time.

The first claim against the cotton program is that it is depriving this country of export markets. This claim is the basis for a contention that abandonment of the program would restore to us the foreign markets assumed to have been lost. Let us scrutinize this contention to see whether its purported advantages are sufficient to justify a return to lower-price cotton, and to offset a big decrease in the purchasing power of cotton farmers.

The often-repeated charge that our cotton program has resulted in the loss of our export markets really consists of two separate arguments. One is that encouraged by our program of cotton-acreage adjustment, foreign cotton-producing countries have increased their cotton acreage. The other is that foreign cotton-consuming countries, unwilling to pay the price for our cotton, have turned to our competitors for their supply.

Foreign cotton acreage did increase 9 percent in 1933. These increased foreign plantings did not follow but preceded our cotton program launched in that same year. For the 1934-35 season, present reports indicate that the foreign crop is about 12,966,000 bales as compared with 13,053,000 bales in 1933-34. In other words, foreign cotton production shows, not an increase, but a slight decrease. Foreign cotton production in 1934-35 is larger in China, Russia, Brazil, and minor producing countries, but these increases are more than offset by decreases in Egypt, India, and Mexico.

Much publicity has been given to the increase in cotton production in Brazil. The production this season is now estimated at 1,591,000 bales, as compared with 969,000 bales in 1933-34 and 448,000 bales in 1932-33. Expansion, which had already gained much headway before our program was launched, has continued. The increase of 622,000 bales since our program was launched represents more than 64 percent increase of Brazilian production, but it amounts to about 6 percent of the United States production in 1934.

The expansion in Brazil had been seized upon and magnified by interests in this country in an attempt to stampede the American cotton growers into abandoning the program which has lifted them out of the mire of a 4-year depression.

The contention that the cotton program has caused our customers abroad to turn elsewhere for their cotton arises primarily from the decrease in American cotton exports since last August 1.

Total exports of American cotton during the period from August 1, 1934, to April 1, 1935, were 3,565,000 bales, as compared with 6,098,000 bales in a like period 1 year earlier, and 6,085,000 bales 2 years earlier.

It is easy, especially for those who wish to do so, to jump from these figures to sweeping conclusions. But when we analyze the reasons for this decrease in exports we discover that much of it is due to the fact that foreign users of cotton, instead of buying new American supplies, have been using up the stocks of American cotton already on hand. Whereas foreign nations since August 1 of last year through February 1935 have cut their imports of American cotton by 41 percent they have reduced their consumption of American cotton by only 26 percent.

We must face the fact that there have been shifts in consumption abroad from American to foreign growths during the first half of the 1934-35 season. Foreign consumption of American cotton during this period was estimated at 3,629,000 bales, whereas the consumption of foreign growths was 8,101,000 bales. This represented a decrease of 1,276,000 bales in consumption of American cotton from a like period 1 year earlier and an increase of 1,521,000 bales in consumption of foreign growths.

These figures reveal a serious decline in foreign imports and consumption of American cotton. It is important to determine how far the cause of this decline is the cotton program and how far it lies outside. Studies made by representatives of the Department of Agriculture and others show that one reason for this shift is the unwillingness of this country to accept goods or services in adequate amount in return for exports of our cotton. This has made it extremely difficult for some countries, especially Germany, to get the American dollars they need with which to buy cotton from us. Germany, for example, was able to sell to us in 1934 only one-third as much in value as in 1929, and therefore has made only about one-fourth her usual purchases of American cotton. There is no way to evade the truth that trade is a two-way affair, and that to have exports we must accept imports.

Economic trends set in motion by the World War have aggravated our difficulties in relation to cotton exports. A review of some of

the events since the war reveal clearly the fundamental causes of the decline of our cotton exports.

For a hundred years cotton has linked the United States with the rest of the world. Several times before the war England became uneasy about the high price of American cotton and attempted to increase her production in the Egyptian Sudan, in India, and elsewhere. These foreign efforts at expansion, aimed at our exports, for the most part failed. Limitations on labor, transportation, and the requirements of soil and climate to cotton culture made it difficult for other countries to increase their competition with our exports. But these limitations did not constitute the only factor that permitted America to remain dominant in the world cotton market. The real cause of our preeminence, in addition to our natural advantages in producing cotton, was the fact that the United States was a debtor nation. We owed many millions of dollars to bondholders in England, Germany, Holland, Belgium, and France. American tourists spent money in England and on the Continent. Foreigners who had come to America to win fortune sent hundreds of millions of dollars back each year to the old folks. To make it possible to send all of this money abroad each year it was necessary for us to export much more than we imported.

Cotton was our biggest single export. Before the war it was a sad thing for the United States when the cotton crop was short, because it might mean that we would have to export some of our gold instead of cotton—and in those days when we exported gold it undermined the base of our credit structure and hard times were likely to follow soon thereafter. It is a small wonder, therefore, that not only the people of the South but also the bankers of New York City and the manufacturers of the rest of the Nation came to have profound interest in cotton as one of the leading barometers of American business.

Today, 17 years after the World War, this picture has changed. Today we are a creditor nation to a greater extent than we were a debtor nation before the World War. The foreigners within our borders send less than half as much to the old folks across the water as they did before the war. Our tourists since the depression have spent very little in Europe. Our tariffs, in spite of the foreign trade agreements, are still higher than they were before the war. All of this means that it is becoming increasingly difficult for foreign nations to obtain dollars with which to purchase American cotton.

The price differential in favor of foreign as against American cotton in the first half of the current season was a factor in causing the shift to the cheaper foreign growths. If our price were consistently above its normal relationship with the world price there is no doubt that this shift would continue. But to a considerable extent this price differential already has been corrected and some observers hold that foreign spinners will soon be seeking increased American supplies. Failure of the return to a normal relationship between American and foreign prices thus far to bring a wave of foreign buying may be due to tendency of foreign buyers to withhold orders in the hope that the current drive for an export a subsidy may give them cotton at lower prices.

There is still plenty of American cotton available for export—in fact, considerably more than was available during the decade of the twenties. The controlling factor in our exports is not supply. Price is not the main factor, except where an abnormal differential develops between our prices and prices of competitive growths. Prices might have gone to 3 cents a pound gold in 1933 if there had been no control program. And while such prices would have brought a temporary flush volume of exports, they would also have ruined the cotton farmer and the South. Over a long period, and assuming our prices are in line with foreign growths, the controlling factor in our cotton export trade is the amount of American dollars in the hands of foreign nations wanting our cotton. This situation will get worse instead of better unless and until the American people are willing to accept greatly increased quantities of imports. There is no other way that I know of, short of giving our cotton away through ruinous prices or insecure loans, to regain our former volume of cotton exports.

But with cotton prices at present levels, there is no evidence that further marked expansion of foreign cotton acreage will result from efforts of the American Government to maintain some stability in the price and production of American cotton. American cotton farmers probably can continue efforts to work the carry-over of American cotton down to more normal proportions for a period of 2 or 3 years longer without causing any important change in the world cotton-production picture. Eventually, however, if we continue to bar imports, it is obvious that foreign cotton consumers will look for their cotton to other countries, namely, to those with which they have trading opportunities. This would ultimately result in foreign expansion of cotton production at our expense.

Proposals that this country should do anything and everything, aside from accepting foreign goods in exchange, to preserve its cotton exports do not offer the South any advantages comparable to the loss that would result in dismantling the cotton program. That such proposals would mean discarding the program is almost openly admitted by their sponsors.

Summing up the export discussion, I think it is clear that proposals for increasing exports through low prices would not compensate the cotton-growing industry for the loss in income that would result to them from discarding or transforming the present program. Of course, revision will be made in the future, but proposals for modification must be scrutinized and accepted only if and when they offer decisive advantages over the present approach.

After the argument about exports, a second main contention commonly made against our cotton program is that adjustments in production are forcing tenants and share-croppers off the land.

I have seen this claim published several times in forms so extreme as to be ridiculous, showing on their face that they originated with people who know nothing about the South, its people, or the cotton industry. I have read that our cotton-adjustment program was making millions of farmers homeless.

What are the facts? One is that the number of people on farms in the South increased 1,250,000 from 1930 to 1934. In Texas, Oklahoma, Arkansas, and Louisiana, the increase in that time was 440,000. While employment in the manufacturing industries fell 40 percent from 1929 to 1933 farm labor in the country, including the South, increased over 100 percent. As industrial employment revived in 1933 farm-labor supply declined, but on January 1, 1934, it was still 60 percent above 1929, while industrial employment was more than 20 percent below.

The shock of unemployment in the cities has been thrust on to the farms. It is ironic to hear some of the very people who plowed their employees out into the streets, letting them drift back into the country, tell what a hardship the cotton program is for the farmer.

I know that the lot of the share-cropper is hard. I know it is a great unsolved human problem. I have watched with foreboding the increases in tenantry which in both the South and the West accompanied ruinous farm prices. I have whole-heartedly endorsed the statesmanlike proposal of Senator BANKHEAD, now pending in Congress, for Government leadership in encouraging a transition from tenantry back to landownership. I do not know a better way to approach the problem, and I am not leaving out of account the possibilities for improving the effectiveness of provisions in our own programs designed to minimize labor disturbance.

But I would like to ask what help any farmers, tenants, or owners would expect to get out of a relapse back to 5- or 6-cent cotton. The fact is that as the cotton income of the South went down, up went the numbers of people living on the land to share in that income.

Solution of the problems of tenantry and share-cropping is not to be found in discarding a program which has meant substantially larger cotton income to divide among the farmers, but rather in agricultural and industrial recovery, restoration of two-way foreign trade, and in such measures as the pending Bankhead bill.

The third major argument against the program has come from domestic textile interests. They are proposing to eliminate the processing tax and find some other source of revenue for making benefit payments. Actually, as I pointed out a few minutes ago, this proposal implies sweeping revision and probably ultimate abandonment of the cotton program as it now exists.

This proposal is based on the argument that the processing tax increases manufacturing costs, decreases consumption, and is the main reason for the shut-down of textile mills.

Before discussing these points, I wish to acknowledge that the textile industry does have difficult problems. The industry is highly competitive and like agriculture suffers from a productive capacity which can quickly outrun demand and oversupply its market.

But I cannot agree that the removal of the cotton-processing tax would make any material contribution to the solution of difficulties which seem to be entirely apart from the cotton program.

We have had a group of technical people at work studying the effect of the cotton-processing tax on cotton consumption. In these studies they have not found that the tax has had any material effect on cotton consumption. While it is paid by the consumer, not by the mill, the increase in the retail price due to the tax is so small as to be a minor burden on the consumer. On the average, the cotton-processing tax adds 1.3 cents to the cost of cotton required to manufacture a yard of muslin; approximately 3 cents for a work shirt and about 8 cents for a pair of overalls.

The level of industrial production and the level of cotton consumption rise and fall together. Since about 40 percent of the cotton domestically consumed is processed for industrial uses, total domestic cotton consumption is closely related to the level of industrial production. For the rest of the domestic market the general level of consumer purchasing power is the important factor. So it seems logical to conclude that the best way to help the textile industry would be to increase general industrial production and labor pay rolls rather than to eliminate the processing tax. This is the objective of the administration's general recovery program, of which the adjustment plan is the farmers' part.

As a matter of fact, the cotton-textile industry has maintained a high level of activity as compared with other industries. The index of cotton-mill consumption has averaged 94 percent of the 1923-25 average from October 1, 1934, through February this year. For the 1934-35 season through January the index averaged 87 percent in comparison with an average of 57 percent for all non-agricultural industrial production. This high level of activity has been maintained with the processing tax in effect. While the price of cotton has been doubled and the processing tax has been added since 1932, cotton-mill consumption in 1934 was 400,000 bales greater than in 1932.

Because of accumulated inventories, the textile industry has just obtained an order which will permit it to curtail operations by 25 percent for a period of 12 weeks. The purpose of this order is to protect prices and margins and to regulate production to a

demand that can be filled at a profit. Cotton farmers have been attempting to utilize the same principle during the past two seasons. In 1933, when stocks of raw cotton had accumulated and prices had fallen, cotton farmers organized under the Government, borrowed the technique developed by industry and applied it with far more justification to their own business. The textile industry is currently urging that the tariff be increased or a quota be fixed on Japanese textile imports. The argument is made that the present tariffs are inadequate to protect the textile industry and its workers. To maintain their price levels the textile industry is using the powers of government both through the N. R. A. and through high tariffs. Cotton farmers, through the Agricultural Adjustment Administration and processing tax, are making a similar effort to maintain prices and income.

The processing tax and benefit payments are the only effective tariff the cotton farmer has ever had. The farmer has not been making any drive that I know of to knock out the textile tariff. Why should the textile industry be attacking the cotton farmer's tariff? If the textile people are opposed to tariffs, why do they not come forward with a proposal to discard their own tariff, instead of the farmer's. But actually they are asking not the decrease or removal of their tariff but to increase that while knocking out the financial basis of the farmer's benefit payments. In its demand for removal of the processing tax, which is analogous to the farmer's tariff, the textile industry is in effect saying that farmers should sell cotton on a price level lower than the industry expects its customers to pay for finished goods.

Actually it is doubtful that a processing tax is as burdensome generally as an equal rise in price. Although the tax requires the keeping of certain records and the making of reports to revenue collectors that would not be required if there were no processing tax, yet the tax does not require as much capital to finance the commodity from the producer to the processor as would be required if prices were higher by the amount of the tax. Moreover, the payment of the tax does not occur until after processing has taken place. The truth is that processors have received a certain amount of financial assistance because in some cases the processed articles have been sold and payment received, with tax included, before the processor paid the Government. In addition, it might be noted that the Secretary of the Treasury is authorized to permit a postponement of the payment of the tax for a period of 180 days.

The real basic objection to the tax probably is the fact that some domestic processors feel they are losing the advantage of low prices to the farmers.

Although the administration has decided that there is no intention of substituting work-relief funds for processing taxes, the campaign to remove the cotton tax has continued. Those who are urging that the tax be removed are in many instances deliberately misleading the public about the nature and effect of the tax. All the difficulties of the textile industry are being blamed on the processing tax. Even a New England mill making rayon, which is not subject to any processing tax whatever, was recently closed "because of the tax" according to the papers, and apparently some workers unthinkingly accepted that excuse.

In a radio speech the other night a Member of Congress discussed the distressed condition of New England mills and advocated removal of the tax and an embargo on textile imports as the remedy. It was inferred from this address that the processing tax was giving foreign spinners an advantage in the domestic market. Such is not the case, as a compensatory import tax is levied on all textiles coming into this country. In other words, the processing tax maintains the status quo as far as imports or exports are concerned. The equivalent of the tax is collected on imports and a refund is made on exports.

New Orleans cotton merchants, in a recent assault upon the cotton program, fell into the same error. "The way is open", their brief read, "for other cotton-manufacturing countries (not having the disadvantage of a processing tax of 4.2 cents per pound) to bring their manufactured goods into this country over the tariff and sell to our domestic customers." Those who make such statements as this either have never read the Agricultural Adjustment Act or are deliberately seeking to deceive the public. The equivalent of the processing tax is collected on all imports of cotton goods.

It is apparent that the agitation against the cotton-processing tax will continue. Efforts are being made to turn cotton farmers against the tax—a device which contributes \$100,000,000 a year to their purchasing power and to which they are entitled as a matter of economic justice. Efforts are being made to arouse textile workers against the tax on the pretext that it is the cause of difficulties which they have endured for many years, and which were most intense in 1932. It will be necessary for textile workers and farmers as well to examine carefully the basis for the attack that is continuing, and seek to appraise the real cause of distress.

No one more than I would like to see the textile mills of the South and New England prosper, and their employees steadily at work for good wages. Improved incomes for the textile workers are important not only for them but for general recovery. Improved incomes for other workers, including the farmers, are important to the textile industry.

The textile industry would have nothing to gain but a great deal to lose if it contributed to dismantling the cotton farmers' program. If poverty prices of cotton were a basis for prosperity in the textile mills, then why weren't they rolling in wealth in 1931 and 1932? The true basis for the textile industry recovery is the spreading of purchasing power through the population, including the city workers and the farmers. Sixteen cents a pound for cotton.

which is about the present cost to the mills in price plus tax, has not in the past been regarded as an unfairly high price. It has been not a symptom of distress in the textile industry, but of prosperous business conditions in the country as a whole.

Evidence of the effect of the increased purchasing power in the South is found in the 33-percent increase in 1 year in industrial commodities shipped by rail from 16 industrial States of the North and East and delivered in 10 agricultural States of the Southeast. Waybills for four southeastern railroads were examined for the year ending June 30, 1933—before the cotton program started—and for the year ending June 30, 1934, after its effects began to be felt. Many of these increased shipments came to Atlanta, railroad center of this area.

The country got into grave crises in 1932 and 1933, when the bottom dropped out of farm prices.

I have found that all through history during recovery periods there are two classes who do not go along with their government on broad national policy. In the first class are those who are impatient of the rate of progress of recovery, or who want recovery to develop into a crazy boom. Such impatient groups are those who go through the South trying to excite unthinking citizens by screaming about the iniquities of 12-cent cotton and that it is criminal that cotton has not risen from 5 to 20 cents a pound.

The other class is made up of those who are thinking in terms of a minority engaged in an industry, rather than the 2,000,000 cotton farmers comprising the great majority.

The cotton program, and the other farm programs, are to be maintained, not for the good of agriculture alone but in the general public interest.

The form of the cotton program is not fixed but flexible, so that modifications to fit changing needs and conditions are continually possible. For example, the cotton-loan program may be adapted to the ever-normal granary idea of which Senator SMITH's cotton-option plan was a forerunner. Similarly, there will always be need to give consideration to proposals offered by men like your Senator GEORGE and Senator RUSSELL, who are interested in agriculture.

The problems facing the cotton growers don't stay put, neither do they affect the South alone. They are related to the problems facing farmers in other parts of the country, and to the problems confronting the large industrial groups. We must strive for a greater readiness to adapt measures to changing situations for a greater sense of unity and a greater degree of cooperation if we are to make progress.

For 13 long years agriculture has striven for a recognition of equality with other groups. Certain expedients were offered during the decades of the twenties which sought no fundamental solution, but merely attempted to quiet the noisy clamor of us "wild men from the West", and to continue the patient forbearance of stolid southern planters, for years victims of high-tariff policies for industry. We would not maintain that the Agricultural Adjustment Act is the final answer to these years of effort, but certainly it represents a definite achievement for agriculture. When the act was passed the Federal Congress recognized that no enduring prosperity could be had with the purchasing power of the Nation's farmers driven to starvation levels.

Now that the plan has been developed to meet a crisis, those groups who fancied prosperity accompanied a depressed agriculture have organized to protest against an agricultural program which has borrowed a little of their historic technique. During the 2 years of operation of the cotton program these protests have come from many different groups. From the efforts on behalf of cotton have arisen the clamor from the exporters who claim that the Government's operations are destroying their business. The textile manufacturers blame the processing tax for all their long-standing difficulties. Organizations have been developed to turn public sentiment against these programs.

The current resistance to the pending amendments to the Agricultural Adjustment Act is really an attack upon the entire program. The forces that have been set in motion could become so intense and so powerful as to destroy the whole broad program of agricultural adjustment. My own feeling is that the very groups who are fighting the Agricultural Adjustment Act are short-sighted and, perhaps, unwittingly might force upon this Nation fantastic measures which would do much injury and accomplish no good. For the sake of temporary gain the processors and handlers of farm commodities might find themselves faced with something extreme if they succeeded in overthrowing the Agricultural Adjustment Act.

I would sound a solemn warning to these groups and in the national interest appeal to them to take the longer view. While this Nation is deciding whether it will take the leadership in an effort to restore an international economic order, it is essential to permit these adjustments in this difficult period of transition. Farmers are poorly organized, and it is difficult for them to make their protests articulate. For that reason, the Government has a special duty to see that farmers get a fair break. But I sometimes think that the pressure of these special pleaders can be made to appear so powerful that the real interest of agriculture which is, of course, the general public interest, may be sacrificed.

Farmers everywhere need to do some hard thinking and to express their point of view as to whether they want the mechanism of the Agricultural Adjustment Administration to be thrown overboard because certain special groups believe it to be in conflict with their immediate self-interest. For that reason, I repeat my appeal for an understanding and an alliance between the great agricultural sections of the South and the Middle West. If the cotton program goes by the board, the corn, wheat, tobacco, and

other programs will follow. The unity of the farmers will be broken.

As farmers and as citizens, it is your duty not only to appraise the value of past and current activities but to determine what course the agricultural program shall take in the future. We believe it is your desire that we shall continue with the cotton program. It is therefore our purpose to carry on.

#### INVESTIGATION OF PLUMBING AND SANITARY SYSTEMS IN FEDERAL GOVERNMENT BUILDINGS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 254) providing for an investigation by the United States Public Health Service of the plumbing and sanitary systems in Federal Government buildings.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the consideration of the House joint resolution?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, do I understand this resolution has not been before any committee of the House?

Mr. DINGELL. This has not been before any committee of the House. This resolution was drafted yesterday morning. However, I did consult with the House leadership, and this resolution has no provision in it that encroaches or infringes upon any committee. It is simply a question of authorizing the United States Public Health Service to make a survey and to report to the Congress, without any appropriation, without any cost whatsoever to the Federal Government.

I might say to the gentleman from Massachusetts that the United States Public Health Service has sanitary engineers who are prepared and ready to go ahead if the House will direct them to do so.

I might further state to the gentleman from Massachusetts that it is a very serious matter and it is immediately pressing.

Mr. MARTIN of Massachusetts. Why is it any more urgent now than it was last year?

Mr. DINGELL. It was 10 years behind time a year ago. Today might mean the illness or possibly the death of a Member or visitors in this building.

Mr. MARTIN of Massachusetts. Mr. Speaker, I believe it is wrong practice to bring up bills that have not been considered by committees. I do not see any particular urgency about this resolution, and, therefore, I am going to object.

The SPEAKER. Objection is heard.

Mr. DINGELL. Well, Mr. Speaker, it was generally agreed between the gentlemen on the opposite side that they would not object.

Mr. MARTIN of Massachusetts. Oh, the gentleman is entirely mistaken. There was no agreement on my part. I have objected, Mr. Speaker.

#### PROTECTION OF LAND AGAINST SOIL EROSION

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H. R. 7054, an act to provide for the protection of land resources against soil erosion, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, after "provide", insert "permanently."

Page 1, line 10, after "protect", insert "public health."

Page 3, line 8, after "and", insert "reasonable safeguards for the."

Page 3, line 8, after "of", insert "State and."

Page 3, line 23, strike out all after "except" down to and including "enactment", in line 5, page 4, and insert "for a period not to exceed 8 months from the date of this enactment, the Secretary of Agriculture may make appointments and may continue employees of the organization heretofore established for the purpose of administering those provisions of the National Industrial Recovery Act which relate to the prevention of soil erosion, without regard to the civil-service laws or regulations and the Classification Act, as amended."

Page 4, line 5, strike out "and expert" and insert "or practical."

Page 4, lines 6 and 7, strike out ", connected with any educational or research institution."

Page 4, line 7, strike out "jointly."

Page 4, line 8, strike out "and by such institution."

Page 4, line 16, strike out all after "act" down to and including "\$100", in line 17.

Page 4, line 19, after "agency", insert "to be known as the 'Soil Conservation Service.'"

The SPEAKER. Is there objection?

Mr. HOPE. Reserving the right to object, Mr. Speaker, will the gentleman from Texas explain the purport of these amendments?

Mr. JONES. Most of the amendments are simply changes of language. The first one inserts the word "permanently", which I do not think changes the meaning of the sentence at all. The words "public health" are included in line 11 among the purposes for which soil-erosion prevention is necessary, but this does not affect the real purpose of the legislation.

The only change of consequence is on page 3, line 23, changing from 4 months to 8 months the period within which appointments may be made in the emergency service without regard to the civil service; and this is to give them a little additional time to work out the program. This is a very important matter, that is pressing in its nature, as the gentleman knows, he having taken an interest in this legislation from the beginning. We do not want the officials to be handicapped in getting the program started.

A further change was that made in relation to the joint employment of those working for other institutions. This change will make it unnecessary for two separate agencies to join in the actual employment. They still have the privilege of employing and compensating on such basis as may seem fair to the employees of other institutions. I do not think it changes the material effect of the section, but it does make easier the matter of employment.

The change made in line 26 simply gives the name to the service, which is not important one way or the other. This covers it.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I merely want to call to the attention of the House, in answer to my colleague the gentlewoman from Massachusetts [Mrs. ROGERS], the fact that, as a result of a conference between the entire Democratic delegation in the House of Representatives from New England with the Secretary of Commerce, Mr. Roper, that President Roosevelt has appointed a Cabinet commission, consisting of Secretary of Commerce Roper, Secretary of Agriculture Wallace, Secretary of Labor Perkins, and Secretary of State Hull, to take up the entire matter, both from an emergency standpoint and with the idea of planning for the future of the textile industry in both the North and the South.

Secretary Roper informed me today that hearings will begin on Thursday morning of this week and will continue for some time. The Cabinet committee is going into the matter thoroughly to study the textile situation in reference to Japanese imports, the A. A. A. processing tax, and all phases of the textile situation, with a view of helping the textile mills during the present emergency and with a long-time plan for the future.

Mr. Speaker, I have taken this time merely to show that the President of the United States has shown by his appointment of this Cabinet committee that he realizes the importance of this matter, is on the job, and, I believe, will do everything in his power to aid the textile industry. [Applause.]

#### NEW-DEAL SOCIALISM—AND MR. HEARST'S SPLEEN

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, "Sane Government or New Deal Socialism—Which? America Must Choose", is the heading of a half-page editorial on the back page of the Washington Herald of April 22. Presumably the same editorial appeared in the other dailies owned by William Randolph Hearst on the same day in different cities.

If there has ever been a more venomous campaign in favor of reaction and against every form of social justice than that now being conducted by William Randolph Hearst in his newspapers, I am not aware of it. Even the most moderate reforms tending to alleviate the suffering of American citizens under our cruel and rapacious industrial system are the targets for bitter abuse in editorials signed or inspired by Hearst. All the way from the tamest progressivism to democratic socialism and Marxian communism, Hearst pours his editorial poison on advocates of any proposal that involves benefit to the producing class. This journalistic and political mountebank seems to have developed a definite monomania on the subject of socialism. This is the most charitable characterization of his furious and frantic fulminations. Either we must assume that the explanation is pathological or accuse him of the most brazen and deliberate misrepresentation and insincerity.

Typical of the false statements with which the Hearst editorial is reeking is the reference to "these two great Soviet Republics", meaning the United States and Russia. Nobody outside of an insane asylum should have any illusions about the program of the new deal being similar to the policies of Soviet Russia. Russia is attempting to carry out a completely collectivized society. The United States, under the new deal, is simply attempting to regulate private industry more strictly without abolishing private capitalism. The best economists of our time, instead of finding fault because of the regulatory features of the new deal and favoring a return to the "leave-things-alone" plan, believe that the real mistake is in not carrying regulation out to its ultimate, which must, in my judgment, mean public ownership of basic public utilities.

Hearst refers to "our socialistic administration in Washington", knowing full well that the administration is not socialistic, and that some of its most energetic opposition comes from those who are convinced that socialization of these basic public utilities is the only path out of the economic wilderness.

"Confidence!" The editorial is saturated with appeals to the Government to "restore confidence!" In Hearst's judgment, it is all-important for the profiteer, the exploiter, the man who has squeezed millions and billions out of the common people through high prices, inferior goods, and watered stock to "retain confidence." What matters the empty stomach of the jobless man or woman? What matters the plight of the citizen with ragged coat or tattered dress? What matters the misery of the unfortunate who has no home? All these things are of no consequence. But, for God's sake—and, the sake of the legalized robber in Wall Street—let us make sure that big business does not lose "confidence"!

Could anything be more hypocritical, more asinine, more disgusting?

It is as if we were to go to a man who has been robbed of his money, had most of his clothes torn off, had his house burned down, and been beaten to a pulp in the bargain and tell him that he must stop his complaining, make no effort to bring the guilty to justice, and cooperate in restoring "confidence" to the thug and roughneck who subjected him to such indignities.

Hearst knows as well as you and I know that radicalism is as American as the Declaration of Independence and the Constitution, instead of being an alien product. Our greatest Americans have always been radical, that

is, they believed in getting at the root of things. That is what radicalism is—seeking root remedies. It is not necessary to quote Marx or Ruskin or Fourier. Thomas Jefferson, Andrew Jackson, Abraham Lincoln, Horace Greeley, Edward Bellam, Wendell Phillips, and other native-born American iconoclasts had drastic things to say regarding the evils of concentration of wealth in the hands of a few.

I commend to the attention of Hearst—knowing, however, the futility of commending anything to him except the ruthless desire of Wall Street to go on exploiting without limit—these words of Andrew Jackson:

It is to be regretted that the rich and powerful too often bend the axis of government to their selfish purposes. \* \* \* In the full enjoyment of the gifts of heaven and the fruits of superior industry, economy, and virtue, every man is entitled to protection by law; but when the laws undertake to add to these natural and just advantages artificial distinctions, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society—the farmers, mechanics, and laborers—who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their Government.

Abraham Lincoln's immortal words have often been quoted, but they can never be quoted too frequently:

This country with its institutions belongs to the people who inhabit it. Whenever they shall grow weary of the existing Government, they can exercise their constitutional right of amending it or their revolutionary right to dismember and overthrow it.

#### NAVY DEPARTMENT APPROPRIATION BILL, 1936

Mr. CARY, from the Committee on Appropriations, reported the bill (H. R. 7672, Rept. No. 746) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1936, and for other purposes, which was read a first and second time, and, with the accompanying papers, was committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. McLEOD reserved all points of order on the bill.

Mr. CARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7672) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1936, and for other purposes; and pending that, I ask unanimous consent that general debate continue throughout the day, to be equally divided and controlled by the gentleman from Michigan [Mr. McLEOD] and myself. I may say that my thought is that tomorrow we will agree to a limitation of the time for general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. BIERMANN. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the subcommittee if this division of time will be so arranged that the opponents of the bill will be able to secure ample time to present their views?

Mr. CARY. Yes; we shall not take up the question of limitation of debate until tomorrow.

Mr. TOBEY. Mr. Speaker, reserving the right to object, I want to say to the Members of the House, and especially to those representing the Appropriations Committee, that I want to go on record as objecting very strenuously to this practice of bringing important bills before us by this method. No Member of the House not a member of the subcommittee has seen the bill or the report; I have asked for it for many days and always been turned down; it has been impossible to even look at a copy; you have kept it all under cover. This is a measure of great national interest. When are we going to have an opportunity to study the bill? Let me ask again, for it is of interest to those of us concerned. Although you state you intend to have general debate, which will continue throughout the present day, when are we going to have time to study the bill before it is read for amendment?

Mr. CARY. We expect to have 2 or 3 days of general debate upon this bill. We shall not begin reading the bill before day after tomorrow, and the gentleman will have ample opportunity to examine it.

Mr. TOBEY. But you have not so stated before. I want to say here and now for the Record, and publicly, that I object to, and deprecate very strongly, the practice of bringing major bills before the House, even though they have been carefully considered by the committee, without an opportunity being afforded the Members to study the bills before they are introduced and we are compelled to act upon them. In saying this I know I express the feelings of Members on both sides of the House.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I say to the gentleman that is a practice that has been indulged in by his party for the last 12 years.

Mr. TOBEY. May I say to the gentleman from Texas—The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

There was no objection.

Mr. TOBEY. Mr. Speaker, I object.

The SPEAKER. The gentleman is too late in making his objection. The Chair stated the question several times, and the gentleman did not object when the Chair put the request.

Mr. SISSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SISSON. Is it understood that the opponents of this bill, and I agree with what the gentleman from New Hampshire said, will have an opportunity in general debate, not only today but as long as general debate continues, to discuss this matter? I may say that I may or may not be an opponent.

Mr. CARY. Certainly. I assented to that, and I gave the gentleman assurances to that effect privately a few moments ago.

Mr. SISSON. I want it understood now.

The SPEAKER. The question is on the motion of the gentleman from Kentucky.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7672, with Mr. McCORMACK in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CARY. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. WARREN] such time as he may desire.

Mr. WARREN. Mr. Chairman, the challenge has just been made by the gentlewoman from Massachusetts [Mrs. ROGERS] for southern Members to discuss the cotton-textile situation. I gladly accept that challenge this morning.

It is not inappropriate while we are considering the national defense in the form of the annual naval appropriation bill that we should also consider another form of national defense—the well-being, the security, and the right to live of the American farmer. In the bill under consideration we seek to protect the Nation from external enemies. I propose to discuss certain sapping and undermining influences now going on that would again seek to bring distress to our largest group—to take from them the well-earned fruits of an age-old battle—and thereby disturb the domestic tranquility and again bring ruin to American agriculture.

During the past few weeks much has been said on the floor of this House and in public prints about the efforts of the Agricultural Adjustment Administration to obtain a measure of economic equality for the farmers of this country. Led by the New England textile interests, the attack on the Administration's agricultural program has become so intense as to warrant a careful appraisal of the nature and purpose of these attacks. I therefore ask the indulgence of this body to analyze briefly the current agitation against the Administration's agricultural programs.

First, permit me to point out that my State is not only at the top from an agricultural point of view, but is also the leading textile State of the Union. In 1934 the State of

North Carolina was among the first nine in cash agricultural income. Twenty percent of the Nation's cotton spindles are located in North Carolina, making it first among the States where the Nation's fiber is processed. Therefore, Mr. Chairman, I feel it particularly appropriate for a Member of Congress, representing a State which is both a great industrial and agricultural area, to express his point of view on the present situation.

When the Agricultural Adjustment Act was up for consideration in the Seventy-second Congress it was claimed the farmers would not cooperate. We were told that the farmer was an individualist and would not fit his operations into a cooperative scheme for the general good. Events have put the skeptics to rout upon this score and "given the lie" to the charge that farmers would not work together. Throughout this country more than half of the Nation's farmers—3,000,000 of them—are today engaged in a great cooperative effort to obtain their fair share of the national income. Perhaps the most amazing demonstration in the history of agriculture's long struggle for economic equality was given in my own State in 1933.

My colleagues from North Carolina and from other States in the flue-cured tobacco area will bear witness to this: You will recall that in the summer of 1933 the Agricultural Adjustment Administration was negotiating a marketing agreement with the buyers of flue-cured tobacco. These buyers were reluctant to enter into this agreement, fearful that the farmers would not agree to control production in the following season. This challenge was made to the 400,000 farmers producing this type of tobacco. And, Mr. Chairman, in about 10 days more than 90 percent of these farmers had signed agreements to adjust the production of their crop during the following season. And now, after two seasons of successful cooperation, efforts are being made to destroy the mechanism which has made it possible for farmers as a group to do what they could not do as individuals. The Congress in enacting the Agricultural Adjustment Act recognized the disparity between agriculture and other groups in our national economy. Now comes a drive to abandon that concept; an effort of nonagricultural groups to delude even the farmer that it is to his own interest to go on the dole and discard the processing tax. It is being urged that we abandon this tax which offers a continuing opportunity for agriculture to obtain a just share of the national income.

I wonder, Mr. Chairman, just how far these special pleaders have succeeded in influencing the point of view of the legislative body concerning the processing tax. To my own mind, the processing tax is a matter of simple justice to agriculture. Those who claim the tax is a burden on the consumer are saying that the consumer cannot pay to farmers prices in line with those charged by manufacturers and other nonagricultural enterprises. I believe that the farmers of my State comprehend the nature and purpose of the processing tax. I think they recognize that the tax is just as much a part of their price as the money they receive from buyers on the warehouse floor or at the cotton gin. Therefore, those who contend that the processing tax should be repealed are in effect saying that the farmer should be returned to starvation prices for his products. Stripped of nonessentials, the drive to eliminate the processing tax on cotton is a drive for cheap cotton. Of course, they add, we can put the farmer on relief, pension him, give him a dole. Mr. Chairman, the farmers of North Carolina do not want a pension or a dole. They do not want to be put on relief. All they ask is that to which they are justly entitled. And I am confident that this is the attitude of the great majority of American farmers.

I repeat that the processing tax is a part of the farmers' price, and those who are genuinely concerned with the farmers' welfare should be vigilant in preventing its removal. For there is no doubt that, once the processing tax is removed on cotton, it will then come off tobacco, corn and hogs, wheat, peanuts, and other products upon which it is levied. This will mean that farmers will be deprived of a continuing source of revenue with which to maintain these

programs and that, after 2 years of successful activity on behalf of the farmer, the Agricultural Adjustment Administration will be scrapped.

Those who are lending themselves to the effort to substitute work-relief funds for the processing tax may not realize the certain consequences of their efforts, if successful. To me, it means but one thing—the end of 14 years' effort and struggle to obtain a measure of economic equality for agriculture. I cannot look upon the beneficial results of these programs in the State of North Carolina and subscribe to any such course of action.

A brief glance at the figures on cash farm receipts in North Carolina tells an astounding story of recovery. They reveal the operation of a Government program that has worked. In 1932 the cash income to farmers of North Carolina was only about \$86,000,000. That low level of purchasing power brought with it conditions of poverty and heartbreaking misery. Farmers were losing their homes. Low prices were driving them off the land. It was a year of suffering and despair for this vast group. No man can predict what would have been the outcome if things had been left to drift. Cotton was bringing 5 cents a pound; peanuts were hardly worth harvesting; tobacco prices were around 11 cents per pound. I have little patience with the idle talk that efforts which have been made since those dark days are threatening our form of government. If ever this Nation was in danger, ladies and gentlemen, it was in 1932—a people with their morale shattered, hope almost gone, and farmers driven to desperation by long years of struggle to get a decent, fair deal in the national economy.

The transformation that has taken place in North Carolina agriculture in 2 years is almost miraculous. From the low income of about \$86,000,000 in 1932, the total cash income to North Carolina farmers has more than doubled for 1934. The total cash income to farmers in 1934 was about \$216,000,000, including rental and benefit payments. Rental and benefit payments in 1934 were \$12,579,000. Think of it; from \$86,000,000 to \$216,000,000 in 2 years. And yet, it is being urged that the opportunity to maintain and further this improvement be abandoned.

I do not think that we should be deceived about the campaign that is now under way against the Agricultural Adjustment Administration. A high-pressure lobby, which bitterly resisted the enactment of the Agricultural Adjustment Act, is engaged in an intensive campaign to wreck and destroy it. The New England textile industry, leading the fight for the repeal of the cotton-processing tax, is seeking alliance with southern cotton interests. This strange coalition of interests, fighting for a continuance of monopoly privilege or temporary profits at the expense of the long-exploited farmer, are even seeking to turn the farmer against the program which has brought agriculture undoubted benefits. And we should never forget that the first step toward disintegration of the farmers' program will be the elimination of the processing tax. That is fundamental, and no other construction can be put upon it.

The cotton-processing tax, which is the keystone upon which the cotton program is based, has made possible rental and benefit payments amounting to \$112,800,000 for the 1933 cotton program and \$115,800,000 for the 1934 program. But the benefit to cotton farmers has not been confined to this addition in income. Because of an improved supply situation, and because of other recovery measures, the gross income from cotton and cottonseed has shown a remarkable advance. The income to cotton farmers rose from \$464,000,000 in 1932 to \$862,000,000 in 1933. And it is estimated that the income will be at about that level for 1934. And yet it is suggested that we scrap the program which has doubled the income of cotton farmers and greatly improved the economic position of other agricultural groups.

This great agricultural program transcends narrow partisan lines. It is a national effort on behalf of all farmers. I was indeed gratified to note in the RECORD of April 15 the statement from the minority leader of the Senate, Mr. McNARY, who has sponsored an amendment to make hops a basic agricultural commodity. The Senator from Oregon,

in speaking upon that amendment (p. 5646 of the RECORD), said, among other things, "I have been a loyal supporter of the Agricultural Adjustment Administration." The measure introduced by the Senator from Oregon makes it possible to levy a processing tax upon the commodity which was designated as basic. For my own part, I feel that this program should be extended to include other commodities which have not as yet felt its benefits, and I agree with Senator McNARY that it was generally understood that such right would be given. For some time a group of us in the House have been interested in giving the man who produces potatoes, the second food crop in value in the Nation, the opportunity to organize under the Agricultural Adjustment Act, and under its beneficent operation bring some stability to the production and marketing of this important crop. Maine potato farmers today are on the verge of ruin and chaos because of the fact that potatoes are the only major crop for which there has been no program. I have presented a bill, written by growers, and approved by growers in 32 States, and they are demanding that action be taken at this session of Congress. Therefore, Mr. Chairman, this processing tax fight is not a partisan struggle, and the efforts to disembowel the Agricultural Adjustment Administration should then be stoutly resisted by every member of this body, who has the interest of agriculture at heart, regardless of party.

Now let us examine briefly the claims of the textile industry in its clamour for the elimination of the cotton processing tax. As I stated in the beginning, I come from the leading textile State of the Union. This industry, which has rapidly developed in North Carolina, has made the State one of the leading industrial States of the Nation. This industry is in difficult circumstances. I recognize that fact and am in sympathy with their predicament. But I do not concede, nor will the facts reveal, that the processing tax is the cause of their difficulties.

The truth about the matter is, that like all other business in different periods of our national life, the textile interests have likewise always had their troubles. The Raleigh (N. C.) News & Observer each day gives the headlines of what people were talking about 25 years ago. In its issue of April 17 I find, under the heading "April 17, 1910", the following:

"Financial suicide" is ahead for cotton mills under present conditions, declares a call for a meeting of textile men in Charlotte. Thoughtful mill men advocate stopping all night work as a means of preventing overproduction that is ruining the industry, but some operators refuse to see it that way.

Now, what are the facts? I do not pretend to be technically qualified to analyze the economic crises confronting this industry. Moreover, I doubt if some public officials, who are the spokesmen for the textile interests, are possessed of peculiar knowledge of technical conditions in this highly specialized, intensely competitive industry. But there are certain elemental facts which should be plain to all. These facts provide a clue to the real difficulty in the industry and are entirely unrelated to the cotton processing tax.

We are all familiar with the rapid shift in the textile industry from non-cotton-growing States to the South. The new mills in the cotton-growing States, with new machinery and more advantageous industrial conditions, apparently have enjoyed a competitive advance over the older mills in New England. The result has been a drastic liquidation of mills in the non-cotton-growing States. This trend began long before the processing tax. The number of spindles in place in the United States has been reduced from about 38,000,000 in January 1925, to about 31,000,000 at the end of February 1935. Certainly the substitutes for cotton goods have a place in this picture. In spite of this reduction, however, the industry still has an excess producing capacity. If 27,000,000 of these spindles were operated at 60 hours per week they would consume approximately 6,000,000 bales of cotton annually. If the same number of spindles operated 80 hours per week, annual consumption would be 8,000,000 bales. This total has never been reached in the United States in any one year. During the past year, most of the

industry has attempted to operate at a level of 80 hours per week. Is it any wonder that they accumulate heavy inventories and are forced to curtail production? But can this situation be blamed on the processing tax?

What has been the condition of the textile mills during most of the period the processing tax has been in effect? The report of the Federal Trade Commission shows that the level of profits has been high, in fact, the highest in recent years. During the last 6 months of 1933, according to this survey, 206 cotton spinning and weaving mills made a total profit of about \$25,000,000 on their sales. This was the equivalent of about 10 percent of the sales value of their products. The cotton-processing tax was in effect then. Was it an unbearable burden then? If so, how did the industry manage to make such substantial profits during that period? It is claimed—and I have no doubt that it is true—that since June 1934, cotton mills have been operating at a loss. But does not the fact that substantial profits were made during most of the first year of the cotton-processing tax demonstrate that the tax is not the real cause of their difficulties? It is hinted—I have not seen the direct allegation—that the cotton tax is drastically reducing consumption. Domestic cotton consumption was 400,000 bales greater in 1934, with 12-cent cotton and the tax, than it was in 1932 with 6-cent cotton and no tax. As a matter of fact, the cost of raw cotton, although a major element for the spinning and weaving mills, constitutes only a minor part of the cost of cotton articles to the ultimate consumer. The average amount of the processing tax paid with respect to some common cotton articles is as follows: Full-sized bed sheet, about 8 cents; pair of pillow cases, about 2 cents; face towel, about 1 cent; pair of overalls, about 8 cents; work shirt, about 3 cents; pair of women's hose, less than 1 cent.

I submit, Mr. Chairman, that this slight addition to the retail cost could have no appreciable effect on cotton consumption. What valid reason, then, can be urged for the removal of the tax? I have heard none, except that cotton mills may feel that they have lost some advantages gained by low prices. Why do not the proponents for repeal of the tax be candid and admit that what they really want is cheap cotton? Cotton growers would then know how to meet that argument. I ask the representatives of the New England textile industry advocating the repeal of the processing tax to submit for the record just what benefits would follow? Would the cost of finished goods to the consumer be reduced? Would production increase? I submit, Mr. Chairman, that as distressing as is the plight of the textile industry, the removal of the tax would make no material contribution to their difficulties.

New England textile interests have fared exceedingly well under the processing tax. Last year cotton-mill consumption in New England was the highest in 4 years. The figures show that during the cotton year 1933-34, mill consumption in New England was 985,000 bales, the highest since 1929. Now, I pretend to no intimate knowledge of the New England textile industry; but I suspect that with the revival of business activity last year many of these mills, which had long been idle, dusted off their obsolescent spindles and commenced operations. Now that competition has thwarted a perfectly natural desire to continue peak operations at a profit, these interests organize in an effort to take it out on the farmer. Why, Mr. Chairman, the processing tax does not guarantee that the New England textile mills will have the opportunity to run full time. And if they cannot pay the farmer a price for his cotton which is in line with what they expect their customers to pay for their goods, they have no business operating. [Applause.] If starvation prices for cotton is the cost of continued operation for the New England textile industry, they ought to close down.

The entire cotton-textile industry awaits a revival of consumer purchasing power and an increase in industrial production. To deprive cotton farmers of \$100,000,000 a year would bring about neither, but serve to retard both. I fear that the current agitation against the processing tax is in reality a smoke screen, intended to obscure the more fundamental causes of the industry's difficulties. These difficulties

are entirely apart from the processing tax, and the industry should frankly admit it.

Now, in spite of all of this, the gentlewoman from Massachusetts [Mrs. ROGERS], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from Massachusetts [Mr. ANDREW], the gentleman from Massachusetts [Mr. TREADWAY], and the gentleman from Massachusetts [Mr. GIFFORD], either on the floor of the House or in newspaper interviews, have issued copious fulminations ascribing to the processing tax all the ailments of the textile industry. They have sought to build up a sentiment in New England that this tax is the ogre that is destroying them, and in a sectional appeal they seek to undermine the very bedrock on which hope has at last come to the cotton farmer. Certain industrialists with parrotlike precision have been echoing the same expression, but in the last few days, as the fallacy of their argument has been exposed, they have been forced to broaden and amend their bill of complaint.

On April 18 Mr. Frank W. Dunham, of Fall River, Mass., who is the head of the chamber of commerce committee on industrial conditions in New England, and who at first was obsessed that the processing tax was the cause of all the trouble, said in a statement issued from Boston:

Our situation is caused by the processing tax, Japanese competition, North-South wage differential, State legislation, and local taxation, as well as overproduction.

Now, let us examine another phase. In the year of 1921 there were 337 mills in operation in the New England States. By 1933 they had progressively dropped until there were only 194. In that period 143 mills were either closed or removed their operations to some other section, and the decline in spindles in that period was 8,003,000. I need not remind the House as to who were the Presidents during that period and what party was in control here in Washington. [Applause.]

This statement of the great migration of cotton mills during that period from New England is most interesting, Mr. Chairman, and I shall include it for the RECORD.

*New England textile mills*

Year	Mills in operation	Spindles
1921	337	18,702,000
1923	357	18,930,000
1925	332	18,333,000
1927	302	16,871,000
1929	259	14,549,000
1931	225	12,168,000
1933	194	10,810,000

*Employees and wages in New England textile mills*

Year	Number of employees	Wages
1921	187,071	\$178,938,000
1923	195,947	199,374,000
1925	164,954	158,774,000
1927	156,642	154,795,000
1929	127,041	119,053,000
1931	91,127	76,482,000
1933	91,566	63,184,000

This shows that during the period from 1921 to 1933, 95,505 employees were thrown out of work representing wages of \$110,754,000.

Where are the 95,505 men and women in New England who earned their bread in the sweat of their face, tending the textile machinery of these States who, during this period, were expelled from their spindles and looms by an economic and social order prevailing under three Republican Presidents, one of whom was New England bred and born. [Applause.] The tragedy of this period constitutes an epoch unequalled in the industrial history of this country.

In the 1924 campaign the slogan of the Republican Party was, "Keep Cool with Coolidge."

During the winters of 1925 and 1926 this slogan was transposed in the homes of the textile workers to mean, "Keep Cold with Coolidge", for at no time before and no time since have the textile workers of this Nation contended

with lower wages, idle spindles, empty looms, or a more desperate social and economic condition than then prevailed unless it was the years 1931 and 1932, during the reign of Herbert Hoover.

When all of this was going on where, may I ask, was the charming and gracious lady from Massachusetts [Mrs. ROGERS]? [Applause.] Did she rise to protest? Not one sound or chirp did you hear from her.

Where was my close friend, the then complacent assistant minority leader, the gentleman from Massachusetts [Mr. MARTIN]? Was his composure disturbed? Was he then addressing mass meetings on Sunday at Salem and Fall River? Did he then lead a march on the White House as he proposes to do tomorrow? [Applause.]

Where was the Jeremiah from New England at that time—my delightful friend, the gentleman from Massachusetts [Mr. GIFFORD]? [Applause.] Did we then hear his wails and lamentations? [Laughter and applause.]

Where, at that time, was the high priest of protection, my friend, the gentleman from Massachusetts [Mr. TREADWAY]? [Applause.] Sitting on the verandas of his palatial hotels in the Massachusetts hills, he was thinking only of prohibitory tariffs and embargoes.

Oh, where was Roderick then!

One blast upon his bugle horn was worth ten thousand men.

They remind me of a little darkey down in my county who, with the temperature at 105, was chopping cotton. The sun was boiling down on him. The more he chopped, the hotter he would get and the more he would sweat. Finally, admitting defeat, he threw down his hoe, stuck his hands on his hips and looking up at the sun, said, "Sun—where wuz you last winter when I needed you so bad." [Laughter and applause.]

It is passing strange and singular that with all the criticism made by New England Representatives against the Agricultural Adjustment Act that they are silent in a thousand languages when it comes to another act of this administration—the N. R. A.—that any responsible New England cotton manufacturer will today admit is the reason why there is any textile mill now running in that section. Show me any New England Republican who will refuse to vote for the extension of the N. R. A., and I will show you a candidate for admission to the Smithsonian Institution. [Applause.]

Why, they even went down to North Carolina and tried to ensnare us into a cabal that would set at naught all that has been accomplished for the North Carolina farmer. A memorial to Congress was rushed through our State legislature, without committee consideration, in which the processing tax was in effect branded as a monstrosity, and it was suggested that the cotton farmer be provided for from relief funds. That memorial was placed in the RECORD 2 weeks ago. Now, our general assembly in North Carolina is a fine and patriotic body, but they make mistakes just as we do. When the full effect of what they had done was realized, a recalling and rescinding resolution was offered, debated, and fully considered, and on Thursday it was passed by the lower house by a vote of 52 to 18, and by its terms it "repeals, rescinds, and vacates the memorial favoring repeal of the processing tax as though said memorial had never been introduced, passed, or ratified." The information I have is that soon the North Carolina Senate will pass it, and it will be sent here to us.

Newspaper reports of Saturday state that so aroused are the farmers of Texas that hundreds of them will come here in May to demand that their program not be interfered with.

I do not propose, Mr. Chairman, to discuss the agitation concerning Japanese textile imports. The President has directed a group of Cabinet officials and technically qualified experts to make a complete study of this situation. But I do want to say this: The cotton-processing tax has absolutely no effect upon either the volume of textile imports or exports. So confused has the issue become that the charge has been made that the processing tax was responsible for the increase in Japanese imports. No responsible person

would make that statement, except to deliberately deceive. The facts are plain that the Agricultural Adjustment Act levies a compensatory import tax on all cotton goods at a rate equivalent to the processing tax. Therefore, it cannot be sustained that the processing tax is in any way responsible for the volume of imports from Japan which are exceedingly small in comparison with our total domestic consumption.

I have dwelt too long on the difficulties confronting the textile industry; but I want to emphasize the great necessity for all who are interested in agriculture to unite, resist, and overcome this campaign of misrepresentation to destroy the farmers' program. I cannot let this opportunity pass without expressing the complete confidence the farmers of my State have in that able and brilliant Administrator of the Agricultural Adjustment Act, Chester Davis. [Applause.] The valiant efforts of Mr. Davis and his associates have contributed more to the recovery of agriculture than anything that has happened in a generation. They have taken the mandate given them by Congress and, in a magnificent fashion, have made a reality of what was to us only a possibility. It is our duty to uphold them and not lend aid and comfort to those who in the beginning opposed this great effort and have now renewed their attacks. And I would urge my colleagues from the agricultural sections not to be misled by the high-pressure tactics of those who would abruptly abolish a program of proven worth.

The farmer is generally a voiceless individual. It is difficult for those who have his interests at heart to know his attitude and views. But, Mr. Chairman, we of the South have a definite method of ascertaining just how our farm constituents feel about the cotton and tobacco programs. In the referendum on the Bankhead Act, an overwhelming endorsement of 9 to 1 was recorded. In the State of North Carolina 128,000 farmers voted to continue the program and only 9,000 voted against it. In the entire Cotton Belt 1,361,000 farmers registered their approval for continuing the program and only 160,000 dissented. The vote in the tobacco referendum was even more decisive. We have no evidence that this overwhelming approval has changed.

I submit, Mr. Chairman, as far as the farmer is concerned this referendum is a clear mandate to carry on. It has not been demonstrated that the processing tax, the vital part of the Agricultural Adjustment Act, is economically unsound nor is it causing an undue burden either upon the processors or the consumer. Therefore, what reasons have we for joining in the revival by lobbyists and special pleaders of these intensive efforts to abandon the program. These same groups attempted to defeat the passage of the act. Now they are undertaking to sabotage it by ripping out its most vital part. I am confident they cannot succeed. But, if they should, I predict an uprising of farmers without parallel in this Nation's history.

I therefore appeal to all who are interested in a continuous opportunity for the American farmer to receive justice to stand fast against the current assaults. For many years farmers have sought an opportunity. They cried out for both a program and a leader. The American people in 1932 supplied a leader in the person of Franklin D. Roosevelt [applause], and under his inspired and thrilling leadership the American Congress gave the farmers of the Nation a program. Shall we now be deceived into sacrificing that which they have won? [Applause.]

Mr. CARY. Mr. Chairman, I yield myself such time as I may desire to use.

The CHAIRMAN. The gentleman from Kentucky is recognized for 1 hour.

Mr. CARY. Mr. Chairman, it is my privilege at this time to present for your consideration the annual naval appropriation bill. I regret very much that it becomes necessary to present to the Congress a naval appropriation bill of such great magnitude as the one presented today, but in view of world conditions and of the announced policy of this Government as to its Navy-building program, this bill, I think, is proper, and nothing short of it will meet the demands of the day.

It is a duty that falls upon me to present this measure, and I have no wish or desire to evade that duty, holding, as I do, convictions respecting an appropriate measure of naval preparedness. A rich heritage was left to us by Washington through his advice and counsel. Never before in the history of this country has it been more important to heed his warnings than today. They are as sound and applicable to present-day conditions as they were when he delivered them to his people. The subject always nearest to his heart was the safety and security of the United States. His advice to us is "to be prepared for war is one of the most effectual means of preserving peace."

Washington further said to us that "a free people ought not only to be armed, but disciplined, to which end a uniform and well-digested plan is requisite; and their safety and interest require that they should promote such manufactures as tend to render them independent of others for essentials, particularly military supplies."

The bill we present to you today is not with the fear of imminence of war, but it is purely a defensive measure; one that tends to keep us abreast with the great nations of the earth as to national defense. Its objects are purely defensive. I am thoroughly of the opinion that the question of national defense is of paramount issue to the American people today. In view of world conditions with war clouds hanging over Europe, with every important nation of that Continent expanding its military and naval forces, replacing and rebuilding their armaments, spending untold millions for armies and navies and going to the extent of conscripting soldiers, building the greatest war machines that have ever been built, it is necessary for us to take notice and so prepare ourselves that we may be able to defend this fair land of ours in case such an emergency should arise. I think it is the duty of this Congress to take such steps toward national preparedness as will guarantee the safety and perpetuity of our ideals and of our institutions. It is the only safeguard we have for this great Republic.

We thought a few years ago that the bloody conflict—the World War—was a war to end war and bring peace upon this earth. Today, when we realize what is going on among the principal nations of the earth in the way of rearmament, the rebuilding of navies and armies and air forces, it is a fearful indictment against the onward march of a great civilization. It seems as though the nations of the earth have learned nothing from the lessons of the past. America should make no mistake in a program of preparedness that will protect us in the future. One that will absolutely guarantee our safety. I believe a great national defense for this country will not only secure our peace and keep us out of war, but more than likely secure the peace of the nations of the earth. To my mind, there is but one course for us to pursue, and that is maintain an army that is unequaled, a navy that will be the mistress of the Seven Seas, and for each of these a component air corps that will meet all the needs of the present day.

Since the World War we have not been as alert as we should have been with respect to national defense. We have depended upon treaties as a means of preventing war and we have thereby permitted our program of national preparedness to lag far behind. We owe a great debt of gratitude to the American Legion for the persistent efforts this organization has made in trying to bring to the American people the importance of this great question. That organization has done more than any other in America to make us conscious of the fact that we have not been adequately prepared. Our present policy and the program upon which we have embarked has been very much exhilarated by their efforts. [Applause.]

The United States naval policy is an official enunciation of a number of tenets or doctrines, foremost among which stands this declaration, "to create, maintain, and operate a navy second to none and in conformity with treaty provisions." I endorse that principle, unreservedly, 100 percent. [Applause.] I believe its observance will guarantee our peace.

I am thoroughly convinced that this policy meets a responsive cord in the hearts of a great majority of the people throughout this broad land of ours. None of us is willing to take a chance upon the security of this Republic.

I realize that we have another class of citizens whose numbers are legion who hold the contrary view. I have no quarrel with them. Among their number will be found many prominent, patriotic, and learned persons who are entitled to their views, just as you and I. We disagree as to how we should attain peace. That is the fervent desire of all of us, and I agree that if it were possible to induce the nations of the earth to disarm that it would be better for all countries, but our experience in the past with trying to bring about disarmament has been so unsatisfactory that I do not believe we can afford to depend upon it in the future, at least until the other nations of the earth are willing to agree with us upon this subject and then live up to the agreement, which they have not heretofore done.

My friends, I pride myself on not being an alarmist. I do not think we are in imminent danger of war, but I do think that the conditions that now exist throughout the world call for our most serious consideration and that we should take every precaution possible for our own protection and self-preservation. I yield to no man a stronger desire for world-wide accord and amity and lasting peace, but I cannot blind or deafen myself to conditions obtaining throughout the world as we know they do at this time.

Regardless of the noble struggle that has been made during the past decade for world peace, it is indeed a sad picture presented to us today by the leading nations of the earth in this respect. There is occasion for alarm. In every quarter of the globe strife, turmoil, bitterness, and animosity prevail. I think the whole condition is brought about by an insatiate desire for political power and prestige. It is, indeed, a pity that the peace of the world must be disturbed by the selfishness of a few in power in Europe.

One would gather that Europe is a seething maelstrom—Europe—where upon every street, highway, and bypath may be seen literally hosts of human wrecks—grim reminders of that terrible holocaust which ended less than a score of years ago—the World War. It is a sad commentary, indeed, upon the advance of our civilization and it is convincing evidence to me that America must be prepared for any eventuality that may react in ways inimical to our rights, to our national interest, or to the security of the blessings of liberty to ourselves and to our posterity. We must gain experience from the lessons of the past. Have we forgotten that only a few years ago when the great World War broke out in Europe we were not adequately prepared? It was then that Germany undertook to drive us from the seas, stop our commerce, and insult our Navy. Of course, the maintenance of a great navy is an expense and a burden upon our people, but I am thoroughly convinced that had we spent a few million dollars additional for the increase of our Navy back in 1914 and 1915, we never would have been drawn into the World War and thereby would have saved billions of dollars and protected the lives of thousands of our soldiers, who made the supreme sacrifice in that struggle, and saved ourselves from the horrible grief and great expense incident to our participation in the World War.

Germany knew then that we did not have an adequate national defense. She gambled that she could defeat France and England before we could become prepared and enter the struggle—hence the insults she hurled at us. We did get prepared in time to save the Allies but it was a horrible expense in money and property and a great sacrifice in human beings. Proper preparation and defense would have saved us from all this trouble.

I do not know why we should or why we need be involved by these distressing and threatening conditions now prevailing far from our shores; neither do you, but we cannot foresee what may happen and I am unwilling to expose this Nation to the danger of being unprepared. I am happy, indeed, and I know you are, that the present occupant of the White House subscribes to that declaration in our naval

policy, which I quoted at the outset of my remarks. He has abandoned the principle of limitation of armament by example and has substituted therefor a program looking to the possession by 1942 of a treaty navy comparable to, if not better than any in all the world. I am sure this Congress will follow him in this policy as it has been following him in all of his great programs since he became the Chief Executive of this Republic. [Applause.]

The expense incident to such a course is great, it is true, and I am not unmindful of that fact and shall discuss it in a moment, but likewise are the budgets of cotreaty powers similarly burdensome. They evidently have no regard for expense and are determined to build vast navies to the treaty strength, because we gave them every opportunity to mark time after the Washington Treaty. We undertook to set the example for the other cotreaty nations by limiting the building program under the treaty and instead of building to the limit that was authorized by that treaty, we did nothing for a number of years, thinking that our course would induce the other nations to do likewise and thereby bring about a real disarmament. But what did they do? Let me give you the figures upon shipbuilding since the Washington Treaty of 1922. It will convince you that we were earnestly leading the way for a real disarmament program but it was not followed by Great Britain, France, Italy, or Japan.

In 1922, which was the year the Washington Treaty was signed, we did not lay down a single ship of any description. Great Britain laid down 4 with a tonnage capacity of 84,140. Japan laid down 34 with a tonnage capacity of 119,441. France laid down 5 with a tonnage capacity of 9,633. Italy laid down 13 with a tonnage capacity of 32,345.

In 1923, we continued our policy and did not build a ship of any description, neither did Great Britain that year, but Japan laid down 11 ships with a tonnage capacity of 14,851. France laid down 29 ships with a tonnage capacity of 49,746. Italy laid down 5 with a tonnage capacity of 19,311.

In 1924, we again did not build any ships of any description. Great Britain that year built 7 with a tonnage capacity of 51,381. Japan laid down 16 vessels with a tonnage capacity of 50,433. France laid down 11 with a tonnage capacity of 26,197. Italy laid down 9 with a tonnage capacity of 7,163.

In 1925, we only laid down 1 ship, that a submarine of a tonnage capacity of 2,710 tons. Great Britain laid down 5 ships with a tonnage capacity of 24,453. Japan laid down 11 with a tonnage capacity of 30,835. France laid down 8 with a tonnage capacity of 19,625; Italy 24 with a tonnage capacity of 41,572.

In 1926 we laid down 7 vessels, 1 a cruiser and the other 6 river gunboats to be used upon the Yangste River in China. These gunboats are exempt from treaty limitation. The seven had a tonnage capacity of only 11,860. That year Great Britain laid down seven ships with a tonnage capacity of 25,444. Japan laid down 13 ships with a tonnage capacity of 21,152; France, 15 ships with a tonnage capacity of 33,187; and Italy, 9 ships with a tonnage capacity of 5,839.

In 1927 we laid down 3 ships with a tonnage capacity of 14,506; England, 13 ships with a capacity of 84,810; Japan, 9 ships with a capacity of 31,450; France, 22 ships with a tonnage capacity of 74,640; and Italy, 17 ships with a tonnage capacity of 34,439.

In 1928 we laid down 6 ships with a tonnage capacity of 54,700; Great Britain, 17 ships with a tonnage capacity of 30,205; Japan, 14 ships with a tonnage capacity of 32,485; France, 18 ships with a tonnage capacity of 46,865; and Italy, 17 ships with a tonnage capacity of 32,821.

In 1929 we did not lay down a single ship. Great Britain laid down 21 with a tonnage capacity of 27,289; Japan, 11 with a tonnage capacity of 22,519; France, 27 with a tonnage capacity of 67,982; and Italy, 13 with a tonnage capacity of 29,241.

In 1930 we laid down 4 ships with a tonnage capacity of 31,240; Great Britain laid down 12 with a tonnage capacity of 19,757; Japan, 6 with a tonnage capacity of 9,635; France, 8 with a tonnage capacity of 31,175; and Italy, 13 with a tonnage capacity of 40,835.

In 1931 we laid down 7 vessels with a tonnage capacity of 56,575; Great Britain, 22 with a tonnage capacity of 43,250; Japan, 11 with a tonnage capacity of 25,952; France, 20 with a tonnage capacity of 59,853; and Italy, 37 with a tonnage capacity of 46,465.

In 1932 we laid down 3 with a tonnage capacity of 4,210; Great Britain, 3 with a tonnage capacity of 3,490; Japan, 2 with a tonnage capacity of 2,427; France, 8 with a tonnage capacity of 39,894; Italy, 16 with a tonnage capacity of 17,406.

In 1933 we laid down 13 ships with a tonnage capacity of 28,600; Great Britain 44, with a tonnage capacity of 95,234; Japan 20, with a tonnage capacity of 38,710; France 5, with a tonnage capacity of 22,714; and Italy that year did not lay down a single ship.

In 1934, up to December 1, we laid down 26 vessels with a tonnage capacity of 94,900; and Great Britain in that year laid down 19, with a tonnage capacity of 36,170; Japan 5, with a tonnage capacity of 12,460; France 1, with a tonnage capacity of 7,500; and Italy 2, with a tonnage capacity of 70,000.

I hope you will take occasion to see for yourselves by consulting the folder in the hearings on this bill inserted between pages 78 and 79. There you will find that from and including the year of the Washington Treaty in 1922 to and including the year of the London Treaty in 1930, the United States laid down only 21 vessels; the British Empire laid down 86 vessels; and Japan laid down 125 vessels. In other words, my colleagues, with seeming utter disregard of the cost, those nations launched upon building programs that left us no alternative but to build ships to catch up and provide ourselves with naval strength such as the treaty permits. We are committed to that policy and our safety demands that we build to it.

Why did we enter into the Washington Treaty and the supplementary and complementary London Treaty if we did not intend to maintain the relative strength therein provided? Of course, we all hoped that it would not be necessary to build the full tonnage allowed in each category, but no one here, I am sure, will contend that it was not the intention of this Government to maintain the treaty-fixed ratio whether at the maximum or some lesser tonnage. Our action for several years clearly demonstrated that we were trying to reduce the tonnage and to induce the other cotreaty nations to do likewise, but in this we failed. They did not take heed of our example. We now find ourselves in the position of having to build, at this time, ships that we failed to build in the years gone by since the treaty was entered into.

I have no thought of condemning the efforts that were made to realize that hope by not building ships with the expectation that the other treaty powers would pursue a similar course. I think it was a laudable thing to do. The world is suffering today because the other powers did not follow our example and do likewise. Possibly we were somewhat slow in discerning the futility of that course, but the aim was reproachless, and I can conceive of no more tangible way for us to have manifested or demonstrated our sincerity of purpose than the modest amount of construction we undertook, as I have indicated, during the years from 1922 to 1930. During the first 3 and in 1 other of those 9 years we did not lay down a single vessel, and in 1 other we started but one submarine.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. CARY. I yield.

Mr. BIERMANN. With respect to the expenditures the distinguished gentleman from Kentucky has just been speaking of, we spent two or three times as much money on our Navy as Japan spent, or France or Italy, and in every year except one we spent much more money than England. What did we do with this money if we did not use it to lay down ships or in some way prepare against this imaginary war?

Mr. CARY. I think the gentleman is entirely mistaken in his statement.

Mr. BIERMANN. No; I am not in error. These are the correct figures, and I think some of the members of the committee will verify them.

Mr. CARY. The point I have been trying to present to this House is that during those years we did not spend any money on a building program. I have presented the facts just as they are. It was during those years that we lagged behind while other countries continued their building programs and that is why we find ourselves where we are today. We realize this now and we must necessarily spend more money next year, as we are doing this year, and will have to do for another year or two, in order to make up for what we failed to do during that period of 9 years.

Mr. BIERMANN. I think we are talking about different things. I am talking about the amount of money spent in dollars and cents. There are very few here who can follow this matter in terms of battleships. Ever since the Washington Treaty we have spent more on our Navy than any other nation, with the exception of 1 year, when Great Britain spent more, and I shall ask any member of the committee here to challenge these figures if they can.

Mr. CARY. I do not intend to dispute the gentleman's figures, but, of course, he must realize that we get less Navy per dollar expended because of higher wages and consequently higher material costs.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CARY. For a question; yes.

Mr. MAY. During the same years we were not only not building ships, but we evidenced our good faith in wanting peace, by sinking and destroying several of our important battleships.

Mr. CARY. That is true. We were trying to set an example, hoping that cotreaty and other nations would follow our example, which they did not do.

Mr. DITTER and Mr. MAVERICK rose.

Mr. CARY. I yield first to my colleague on the committee, the gentleman from Pennsylvania.

Mr. DITTER. The gentleman from Kentucky has requested that Members refrain from interrupting him until he has finished his remarks. I believe the gentleman should have that courtesy extended to him by the Members of the House and after he has finished his remarks, I feel certain he will be pleased to yield to those who wish to ask any questions.

Mr. CARY. I thank my colleague from Pennsylvania. I should be pleased to finish my remarks and then I shall answer any questions that I can.

Now as to the cost. There is no getting away from the fact that the cost of the course we are launched upon is staggering. The very capable officer who now occupies our highest naval office, Admiral Standley, just recently has completed a study of the cost of maintaining a treaty navy. In testifying before our subcommittee he stated that it would cost \$555,000,000 per year to maintain the Navy at treaty strength, which we are committed to do. We have gotten so accustomed to speaking in terms of billions that I am afraid the mere statement of that amount will not convey its magnitude. It is a tremendous peace-time burden; a burden our people should not have to bear; but until the time comes when the nations of the earth are willing to enter into a real disarmament agreement and stop the folly of rearming there is but one course we can pursue and that is to prepare and maintain an adequate national defense. The cost of maintaining a treaty-strength navy, as testified to by Admiral Standley, exceeds, my friends, the total of all the ordinary expenditures of our Government for everything, Army, Navy, civil departments, pensions, and interest on the public debt, for any year of our Government prior to 1904, save and except only the year 1899 when there was an expansion owing to the War with Spain.

It is an appalling figure to contemplate, Mr. Chairman, when you and I know that we must soon stop this spending orgy and apply all of our faculties and all of our energies to the process of liquidation. This must be true of the other

nations of the earth. I hope the time is not far distant when all of the peoples of the earth will direct their thoughts and their energies to this end. The burdens of all the peoples of the earth will then be much lighter.

In this naval bill we are considering our committee has done all that was possible to reduce it and has reported no expenditure that we have not considered absolutely necessary. It concerns so largely our national finances that I feel I should be derelict to my duty if I did not pause to give you some figures with respect thereto.

The time has come when Congress must take stock of our financial condition. There must be a halt to spending wherever it is possible. This we owe to the country.

On November 30, 1934, according to figures but recently published, the public debt had reached a total of \$27,760,967,705, all interest bearing save roundly \$462,000,000. At the close of the fiscal year 1936 the Budget has estimated that the total indebtedness will be \$34,239,000,000, which is comparable to \$25,488,000,000 in the fiscal year 1919, in which the World War came to a close and the public debt reached its peak.

Here are some figures that I think deserve the most serious consideration of the Congress. Without any provision whatever for a sinking fund or for debt retirement and allowing only a margin of \$120,000,000 for deficiencies and unforeseen demands in regular expenses, every penny of our 1936 regular revenues has been earmarked in the Budget for regular expenditures, as follows:

Expenses of regular departments and establishments.....	\$1,622,000,000
Veterans' pensions and benefits.....	740,000,000
Interest on national debt.....	875,000,000
Tax refunds.....	65,000,000
Total.....	3,302,000,000

My colleagues, as the chosen representatives of the American people, I ask you, what is the answer to be? How much longer can we go on with this financial strain? I am not prepared to say, but I am prepared to say that the expenditures classed as regular, and this bill is in that category, must be checked. They have got to be watched, curbed, and confined to absolute necessities, and that applies to the measure we are now considering. Not only do I believe it applies to the regular expenditures of the Government but I have come to the conclusion that all expenditures of the Government must be curbed.

We find ourselves in this unfortunate position now; and that is, whatever the cost, our charted course is to maintain that sort of a navy that other powers make it necessary for us to maintain. I believe the American people demand that and will accept nothing less. Therefore it is imperative that we confine the appropriations in this and future bills to nothing but essentials, and we must be prepared to resist the urge that comes from hither and yon, possibly backed by a few telegrams and letters much of the same tenor, to add money here and there, not recommended by the Navy Department or the responsible heads of the Navy Department, and, to be perfectly frank about it, usually of a selfish character, and which would mean, if granted, just that much less money for essential Navy purposes.

The Governments of Great Britain and Japan, however strange it may seem, have shaped our naval policy. The course they have pursued is responsible for the size of the bill I bring to you today. Had they gone along with us after the London Treaty and reduced their building programs, I have no doubt but that the other powers of the earth would have followed, and the mad rush that has gone on for the past few years in expanding navies and increasing armies would not have occurred. The course they have pursued is responsible for that ultimate annual cost figure of the Chief of Naval Operations of \$555,000,000; and, of course, allowing for differences in personnel and material costs, their action has imposed and will impose a relatively and proportionately large burden upon their own exchequers.

Mr. Chairman, so long as world conditions obtain as they do today, I am in favor of a navy unequaled by any, for a national defense that will insure the safety of this Republic;

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but I do hope that the time is not far distant when the peoples of the earth will not continue to submit to the burdens of maintaining vast military and naval establishments, sooner or later to be employed in wrecking and destroying human lives and creating human misery, if the past be any criterion. May we hope that an enlightened world will demand that these vast outlays for military and naval purposes must and will be diverted into channels leading to a richer and a happier civilization. [Applause.]

I can conceive of no nobler step than for America to lead the way. We cannot afford, nor can the other naval powers afford, to lose the benefits arising from the Washington and London Naval Treaties. Despite all the criticism of the sacrifices we made at the Washington Conference, the initiation of the principle of limitation was well worth the price, particularly so when viewed in conjunction with the later complementary treaty concluded at London in 1930. All thinking, unselfish, peace-loving people the world over had hoped that the latter treaty was but the forerunner of successively smaller armament limitations. Any nation that would do aught to prevent the consummation of that end would be guilty of the commission of a despicable crime against its own people and against civilization the world over and ought to be treated as an outlaw by other world powers.

But, Mr. Chairman, whatever the results may be in the future as to disarmament, I am confident I voice the predominant sentiment of the American people when I say we shall not permit any difference in existing ratios to obtain, treaty or no treaty. [Applause.]

The bill I am presenting to you today, calling for an appropriation of \$457,786,261 is to a very great extent in that large figure because of the determination of our Government that no difference shall be permitted to obtain as to ratio. We have in vessels, built and building today, all of the tonnage to which we are entitled in the several categories. Our program henceforward, or at least until a new treaty becomes operative, or treaty limitations cease to prevail, which God forbid, will consist solely of the replacement of over-age tonnage.

The Budget estimate aggregates \$485,443,847. That sum exceeds the amount currently available for 1935 by \$174,879,498. Fully 85 percent of that increase is responsive either to legislation or to the present policy of expending our Navy to treaty proportions, which is contemplated by existing international agreements and by the terms of legislation in consequence of which funds were placed at the disposal of the Chief Executive for employment in naval building programs and by the terms of the Vinson-Trammell Act of the last Congress, authorizing the provision of funds to build and maintain, in an under-age status, the whole number of our treaty quota of naval vessels and such number of aircraft as may be deemed commensurate with a treaty navy. Not a single penny of the increase may be said to be influenced by any thought of the imminence of war.

I shall analyze that increase for you. That portion which is attributable entirely to the expansion of the Navy afloat and in the air is constituted as follows:

New ships, building and to be built, 54 all told.....	\$95,480,666
Additional aircraft over and above replacement aircraft, number, 273.....	12,500,000
Ordnance for additional aircraft, over and above replacement aircraft, now in course of procurement under allotment of the appropriation "Emergency relief and public works, 1934 and 1935".....	1,200,000
Additional pilots.....	3,198,461
Additional enlisted men—11,000 total but 5,500 average.....	5,463,450
Additional midshipmen.....	531,492
Total.....	118,374,169

In addition to these we find the following outstanding items contributing to the Budget increase:

For raising salaries to the 100-percent level.....	\$13,133,403
For replacement airplanes (282) and increased maintenance and operating charges.....	17,380,194
For a special ordnance project.....	5,000,000
For ordnance implementation of the Marine Corps.....	800,000
For public works, for which no regular annual appropriation has been made since the fiscal year 1934.....	4,500,000

That is about as much detail as I see any occasion to burden you with. It accounts for the major items. The remainder is quite widely distributed and is assignable to a larger operating force plan, to work and procurements deferred through lack of funds, in part traceable to the administratively enforced economies in the fiscal year 1934, and to increased costs of materials.

It is not an exorbitant budget; it is not an extravagant budget, considering all the circumstances. On the contrary, it is a budget in nearly all directions composed of essential items and I should pronounce it as very well balanced.

Your committee has effected reductions totaling \$27,657,586. To be perfectly frank about it, however, \$19,690,000 of that amount is a mere postponement. By that I mean if you adopt our recommendations it will be necessary next year to appropriate \$19,690,000 of the amount we have deducted. That bears out what I have just said respecting the naval budget. I seriously doubt if a greater reduction could be made without hurting or without running counter to our treaty-navy aims. I shall come to that deferment of appropriations in a moment.

You will find a table commencing on page 4 of our report in which is stated every money change the committee has made in the Budget estimate, with a brief statement of the reasons for its action. I do not propose to take your time to discuss all of those changes. There are about six major propositions involved in the entire bill, and I shall endeavor to make clear to you the basis of our action with respect thereto. I shall take them up not in the order of their importance but as they first occur in the bill before you.

#### AVIATION CADETS

The House on March 27, last month, passed H. R. 5577, being a bill to provide for aviation cadets in the Naval Reserve. The bill was reported by the gentleman from New York [Mr. DELANEY], from the Committee on Naval Affairs, and was very ably presented by him and the distinguished Chairman of the Naval Affairs Committee, Mr. VINSON of Georgia. I think it is a splendid measure and that it will get us in a most effective and efficient way aviators that we will sorely need as our air program develops. By the induction of men of the right caliber into this service, in the years to come I can see that they will constitute the leaders of commercial aviation in this country.

As the Budget came to us, it provided for developing 348 enlisted men as pilots and carried the money for so doing. The aviation-cadet arrangement was later determined upon as a better solution and will cost, for the first year, but relatively little more. My judgment is that the advantages of the new arrangement fully warrant the added cost.

For training enlisted men as pilots the Budget carries \$2,714,250 under "Aviation, Navy"; and \$389,009 under "Pay of the Navy."

The cadet arrangement becomes entirely an expense to the Reserve appropriation, and we have transferred those two amounts to the Reserve appropriation and added \$124,573, or a total of \$3,288,252, which is the sum estimated necessary to pay the cost. In connection with the amount transferred from "Aviation, Navy", I feel I should call your attention to the fact that the Bureau of Aeronautics does not willingly relinquish \$1,468,650, for the reason that the Bureau's original estimates were reduced by the Bureau of the Budget, but the committee does not understand that the Budget cut was intended to disturb the amount allocated in the Bureau's estimate for training enlisted pilots.

As to the transfer from "Pay of the Navy" of \$389,009, but \$189,776 of that amount was suggested by the Department, the difference of \$199,233 represents the amount included in the estimates for the pay, subsistence, clothing, and transportation of 348 enlisted men which it was originally planned to train as aviators. Since they are not to be used for that purpose they would therefore be surplus to the increase in enlisted strength of 11,000 men for which the estimates include provision, so we have used that amount to help pay the cost of the aviation-cadet arrangement.

#### RESERVE FORCES

From the standpoint of the aviation branch of the Naval Reserve the aviation-cadet plan will supply a long-felt need. There should be some expansion in the number of enlisted men identified with Reserve aviation, and the committee would expect for that deficiency to be taken care of as soon as a plan can be worked out, looking to the day when aviation cadets will begin to pass into an inactive status. For the sea-going branch of the Reserve provision is made for drill pay—48 drills—and training-duty pay for all fleet reservists now enrolled; and there is a new provision in the Budget which the committee has approved for training 122 officers and 250 men of the volunteer branch of the Reserve.

Very plainly, I will say to you, that this budget does not satisfy the Naval Reserve Officers' Association, but we cannot permit our Budget to be written by self-centered interests, and I mean no disrespect when I say that; but such interests are not concerned with nor do they have any responsibility in connection with the fiscal policy of the administration; and if we should permit ourselves to be led by such influences I do not know what the result might be. The committee talked the matter over very frankly with the Chief of Naval Operations. He maintains an appropriation priority list, and he told us that if we contemplated adding money to the Budget he was prepared to suggest many very important uses of much higher priority. There is considerable confusion about the various Reserve forces. They are upon a different status as to pay and clothing, and our committee is trying to work out some uniform system for reservists. What we have done is this: We have asked the admiral, and he has agreed to appoint a board of officers to go into the whole question of the Reserve forces and to give us the benefit of the board's ideas and conclusions and his recommendations thereon at the next session. We think the committee can then act more intelligently upon this subject.

#### CRITICAL RAW MATERIAL

You will find on page 32 of the bill an entirely new proposition. I am sure it will appeal to every Member of Congress who believes in military and naval preparedness. All of you know how dependent this Nation is upon foreign sources for certain absolutely essential materials used in the production of armor, armament, and ammunition. That dependence is because the demand has not justified proper domestic development. It is believed that we have the resources within the continental limits of the United States and Alaska. The extent, however, is only partially known. The field has not been thoroughly explored. This committee feels we are pursuing a most incongruous course in building up military and naval establishments, whose very ability to function may depend upon the immediate availability of an adequate supply of what are spoken of as "critical raw materials" or certain strategic minerals, the foreign supply of which could be cut off immediately. We are therefore initiating a plan with the view to finding out if we may not establish complete independence as to such materials which we are now looking to foreign markets for.

I will not dwell upon this subject, but merely bring it to your attention, because it had its inception with our distinguished colleague and committee member, Governor SCRUGHAM, of Nevada, who is an authority upon this and many other technical questions. I want to say right here, Mr. Chairman, what a tremendous asset it has been to this committee to have as a member a man of Governor SCRUGHAM's ability and having the technical knowledge and training, both in civil and military life, which he possesses, but I cannot stop there. I have had the most able assistance and the finest cooperation from my other colleagues on the committee—the gentleman from North Carolina [Mr. UMSTEAD], the gentleman from Ohio [Mr. THOM], the gentleman from Michigan [Mr. McLEOD], and the gentleman from Pennsylvania [Mr. DITTER]. Unfortunately, our esteemed friend and colleague, Mr. JOHNSON of West Virginia, was precluded on account of illness from assisting us with our problems. I owe each of these gentlemen a debt of grati-

tude. There are no finer men anywhere, and it has been a pleasure to work with them.

Getting back to the raw material proposition, I am sure Governor SCRUGHAM will give you all the enlightenment there is to give touching the committee's proposal.

PUBLIC WORKS

With the advent of the Public Works Administration and its appropriative powers Navy public works have been financed very largely out of relief moneys. As of December 1 last, the Bureau of Yards and Docks had received grants from that quarter aggregating \$27,832,072. Despite the fact that it now appears that the Navy may participate in additional funds provided for the relief of unemployment, the Budget includes \$4,500,000 of specific appropriations for projects, the desirable character of which is not questioned, but which for the most part are so involved with P. W. A. that your committee is unwilling to recommend to you direct appropriations until we may know as to the projects in that category just what the procedure as to their future financing is going to be.

You Members will agree with me, I am sure, that no project should be undertaken with a P. W. A. allotment not adequate for its completion; nor should an inadequate allotment be applied for or granted. We find in these public-work estimates projects started with P. W. A. funds which will not be brought to a close with the direct appropriations we are now asked to appropriate. Two of the projects were started with P. W. A. funds and there is an application pending with P. W. A. right now for funds in addition to those we are asked to appropriate. I am opposed to this manner of providing public funds. It should be stopped.

Because of that state of affairs we have refused to recommend an item of \$2,750,000 for dredging and harbor and channel improvement at Pearl Harbor; an item of \$225,000 on account of the radio station at Lualualei, Hawaii, and an item of \$175,000 on account of the radio station at Summit, Canal Zone.

The dredging and harbor-improvement project is an enlargement of one upon which we expended \$6,000,000 about 5 years ago, which was authorized by the Committee on Naval Affairs. The Navy concluded that the completed original project did not answer its requirements and has proceeded to expand it with an initial allotment of \$3,000,000 granted by P. W. A. We are now asked for \$2,750,000 additional. There is an application pending with P. W. A. for a further allotment of \$2,203,000 for providing mooring facilities when the additional dredging shall have been completed, and we are told that even then there will remain work unprovided for estimated to cost \$1,900,000. The committee must have more information upon these items of so great expense before recommending approval of same.

There is another phase of this matter that is somewhat disturbing, and that is there is no competition for doing the work. The Hawaiian Dredging Co. is the sole bidder for such part of the work as neither the Army nor the Navy has the facilities to perform. The committee is opposed to any further money being made available for this project until it can assure the House that such portion thereof as may be let to private contract will be at cost plus a reasonable profit, as determined by Army engineers.

The radio-station items to which I have referred are objectionable upon grounds very similar to the dredging item about which I have just spoken.

Three of the public-works projects have no legislative authorization, and, under our rules, the committee is unable to include provision for them. These are the items touching Thatchers Island, Mass.; Folly Island, S. C.; and San Juan, P. R.

We are recommending for your favorable consideration an item without Budget support for equipping the navy yard at Charleston, S. C., to undertake the construction of two destroyers instead of one. The unit cost of the lighter type of the destroyers we are now building is \$6,155,000. The committee is advised that the saving that would ensue from building two vessels in the same yard simultaneously would range between 6 percent and 12 percent, which would seem

to be ample justification for an expenditure of \$300,000 at Charleston, with a saving of such proportions in view.

The CHAIRMAN. The gentleman from Kentucky has consumed 1 hour.

Mr. CARY. Mr. Chairman, I yield myself 20 additional minutes.

The CHAIRMAN. Without objection, the gentleman from Kentucky is recognized for 20 additional minutes.

There was no objection.

AVIATION

Mr. CARY. The aviation estimate came to us this year under two heads. Provision for projected airplane procurements of replacement character was included under the regular aviation appropriation head, and additional procurements, looking to building to the goal of 1,910 planes, exclusive of reserve planes, as contemplated by the Vinson-Trammel Act, were provided for under the head of "Increase of the Navy." Combined, the estimates call for a total of \$52,000,000, which is quite a handsome sum of money. Eight million five hundred thousand dollars of that sum, however, will be needed to satisfy prior year contract authorizations, leaving for new obligations \$43,500,000, which works out to be about \$13,600,000 in excess of the amount available the present year if we take into consideration pay restoration and procurements being made under an allotment of \$12,902,772 of the appropriation contained in the Emergency Appropriation Act, fiscal year 1935.

Of the total amount estimated, \$26,500,000 is allocated to the procurement of 282 replacement planes and 273 additional planes, or 555 planes all told. The Chief of the Bureau of Aeronautics has indicated to the committee that delivery under this program will extend into the fiscal year 1937 and that for that reason \$5,000,000 of the amount estimated will not need to be appropriated at this time. Consequently, the committee has substituted contract authorization for that amount of cash, which shows as a reduction in the estimate and which, of course, it is, but at the same time it is just a deferment.

Besides this deduction the committee has transferred \$2,714,250 to the reserve appropriation in connection with the aviation-cadet proposition, about which I have already spoken.

The real reductions are in two projects and total \$3,764,400.

The first and larger one has reference to spare engines, spare parts, and spare planes. The estimate includes an amount for the procurement of 25 percent spares. The committee feels that that is too high. The art is developing so rapidly that it is very evident we would be accumulating a lot of spares for planes that will fade out of the picture by reason of obsolescence before they would be needed. We have allowed for spares on a 10-percent basis and have taken off \$3,180,000 in consequence of that course.

Lighter-than-air funds yielded the remainder of the actual cut we have made in the aviation estimates. As the estimates came to Congress, \$1,262,200 was included therein for naval lighter-than-air activities. The equipment we then had is detailed on page 524 of the hearings. Included, of course, was the ill-fated *Macon*. The complete loss of that ship presented an entirely different situation. The estimates included funds for its operation, care, and maintenance, and for its home base—the newly completed station at Sunnyvale, Calif., where we have an investment of approximately \$5,000,000. The estimates, apart from pay and allowances of commissioned and enlisted personnel, included something like \$760,100 for and on account of the *Macon*, as follows:

Photographic equipment and supplies.....	\$1,800
Maintenance and operation of Sunnyvale and <i>Macon</i> .....	546,300
Helium and helium containers.....	85,000
Replacement equipment for <i>Macon</i> .....	100,000
Mooring masts.....	5,000
Experimentation with airship engines.....	18,000
Development of instruments.....	4,000
Total .....	760,100

The Department is proposing to give up but \$275,800 of that amount. The difference of \$484,300 it is proposing to use as follows:

It wishes to continue Sunnyvale in operation as a heavier-than-air station to take some of the load off of North Island, at San Diego. That will cost \$360,000.

It proposes to concentrate its nonrigid activities at Lakehurst, where it is also continuing to experiment with the *Los Angeles*, secured to a mooring mast. We have three nonrigid left, one being at Sunnyvale. The suggestion is that the original allocation for Lakehurst, \$205,700, be increased by \$34,400.

It is proposing to increase the original allocation for airship development from \$55,000 to \$75,000, and besides a new nonrigid, estimated to cost \$120,000, for which the original estimates made provision, the modified proposal is to build another at a cost of \$70,000.

This well illustrates how difficult it is for the Government to get out once it has entered upon any field of activity.

My friends, I still believe in the potential value of lighter-than-air ships in the commercial field but, frankly, I am not willing to concede that they have any value to us for naval purposes, and I may say that I have support for that view of some mighty good naval judgment. I feel the same way about these little nonrigids, which some die-hards think have value for coastal patrol purposes. I would not give 1 good airplane for 10 of them.

My thought would be for the Navy to step out of the picture, lock, stock, and barrel; and if the Government wishes to continue to aid in developing the commercial possibilities of airships, let us turn it over to the Department of Commerce, the National Advisory Committee for Aeronautics, or some other civil agency, and subtract the expense from the naval budget.

Our proposal in this bill is not as liberal as the Department's suggested modification of the original estimate; but, in my judgment, we have been more than generous, and I am more afraid of criticism on that score than of being charged with parsimony. We have reduced the estimate \$584,000, or \$308,600 more than proposed by the Department. We have refused the increase of \$34,300 for Lakehurst, holding to the original estimate figure of \$205,700; we have reduced the revised estimate for Sunnyvale by \$154,300, allowing the same amount there as at Lakehurst; and we have allowed \$70,000 for building a small nonrigid, instead of one costing \$120,000, originally estimated for, and two, costing in all \$190,000, as subsequently proposed.

#### INCREASE OF THE NAVY

I shall turn now to new ship construction, which is responsible for more than half of the increase carried in this bill. The estimates under this head, as modified by a supplemental recommendation, total \$136,100,000. That sum divides in this way:

We are building in Government and private yards today 68 vessels of war. Two of that number are small gunboats and are not treaty-controlled ships. Of treaty vessels the number is 66.

Thirty-two of the sixty-eight vessels are being built under an allotment of \$238,000,000 of the original National Industrial Recovery appropriation of \$3,300,000,000, the act authorizing such appropriation having provided for the application of a portion thereof, at the discretion of the President, for constructing naval vessels "within the terms and/or limits established by the London Naval Treaty of 1930 and of aircraft required therefor." These 32 vessels are not involved in this bill at all, although I may say that our information is that the original allotment for their construction will fall short of doing the job completely by \$55,508,000.

Omitting such vessels, which include the 2 gunboats I have mentioned, leaves 36 vessels now under way.

Sixteen of this number have been started under appropriations carried in prior naval appropriation acts, and six of them will be completed during the present fiscal year. On account of the remaining 10 there is included in the Budget \$51,542,500. Included in that figure, however, I should say, is a relatively small amount under ordnance for some finishing-up expenses on account of five other vessels now classed as built.

The remaining 20 of the 36 vessels building, to which the estimate applies, were commenced under an allotment of \$23,630,000 of the appropriation, "Emergency relief and public works, 1934 and 1935." The Budget includes \$55,177,500 for carrying forward work on those vessels.

Therefore, for and on account of existing construction, 30 vessels, the Budget carries \$106,720,000, in addition to which we are advised that there will be expended during the next fiscal year \$86,830,719 on account of the 32 vessels being built out of the allotment of the first relief appropriation. That makes a total expenditure program of \$193,550,000 for the fiscal year 1936.

Then, of course, as I indicated early in my remarks, the Budget includes \$29,380,000 for the initiation of work on 24 additional vessels, making a total Budget recommendation for new construction of \$136,100,000.

On account of all these programs, in addition to the amount in the 1936 Budget, we are advised that appropriations in excess of \$322,000,000 will be needed for their completion.

I have told you of the course we are proposing with respect to the new units the Budget contemplates commencing, and as I then indicated, we have subtracted \$16,690,000 because that amount is all that is necessary to begin the construction of the 24 additional vessels and will adequately carry on the building program. In addition to that, we have disallowed \$615,000 included in the estimates for charging the pay of certain employees to regular appropriations which is now lodged as a charge against the first allotment of relief money, and where it is rightfully lodged in our judgment. These two changes, plus a transfer of \$1,200,000 for aviation ordnance from "Increase of the Navy" to "Ordnance and Ordnance Stores" constitute the only deductions we have made in the shipbuilding estimates.

#### EDUCATION OF OFFICERS FOR STAFF DUTIES

There is a matter that came to our notice during the consideration of this bill that does not immediately affect naval expenditures, or at least, no more than negligibly so, and I feel that I should comment upon it before concluding.

As you all know, naval officer personnel is divided into two major groups—the line and the staff. The first is a whole but the second subdivides into the Construction Corps, the Supply Corps, the Corps of Civil Engineers, and the Medical Corps. That enumeration will suffice, for what I shall have to say applies to the first three corps, that is, the group that builds our ships, the group that purchases and disburses and accounts for money and stores, and the group charged with naval shore construction and maintenance.

The law provides that—"Midshipmen on graduation shall be commissioned ensigns in the Navy, or may be assigned by the Secretary of the Navy to fill vacancies in the lowest commissioned grades of the Marine Corps or staff corps of the Navy."

Up until about a year ago the practice had been to commission graduates directly into the Supply Corps. Entrants into the Construction Corps and the Corps of Civil Engineers were chosen from Naval Academy graduates who had been at sea following graduation from 18 months to inside of 2 years. Men volunteering and designated were sent to technical schools for postgraduate instruction and were commissioned in their appropriate corps after or just prior to the lapse of 3 years from date of graduation. Such men, and the men going directly into the Supply Corps henceforth were specialists.

Under a new policy the Department has set up, without even consulting anyone connected with the legislative branch of the Government, so far as I know, supply officers will not come directly out of Annapolis. Supply officers, construction officers, and civil-engineer officers of the future will be composed of men who have served in the line up to and including the grade of lieutenant commander and who may volunteer for such postgraduate instruction as will equip them to enter upon the duties of officers of such corps, who, upon the completion of such special instruction elect to become permanently identified with such corps,

They may be men out of Annapolis as much as 10 years or more.

Let me read you a provision in legislation which the Department is now seeking in connection with this new arrangement. Listen—

That the President of the United States is hereby authorized, by and with the advice and consent of the Senate, to transfer and appoint officers of the line of the Navy, not above the grade of lieutenant commander, to the corresponding grade in the Construction Corps, Civil Engineer Corps, or Supply Corps, without regard to the age of the officers so transferred and appointed.

Mr. Chairman, the proposal borders on the ridiculous to me. I have not yet heard one good common-sense reason advanced for it. Every man on this floor knows Admiral Peoples. He is a staff officer and is at the head of the Navy Supply Corps. I maintain that the Navy has the most efficient purchasing and stores accounting system in the Government. That system was initiated by Admiral Peoples at a period in his career when under this new proposal he would just be beginning to learn the rudiments of the duties of a supply officer. Let me read you what the former chairman of this committee, the Honorable William A. Ayres, of Kansas, had to say about this proposition in a letter he wrote to the Navy Department when it was called to his attention after the last appropriation bill had been disposed of. This is what Mr. Ayres said:

I sincerely hope that, aside from requiring that all appointees of the staff corps, save the Medical Corps, be Naval Academy graduates, no action will be taken requiring service in advance of postgraduate instruction necessary to fit candidates for assuming the duties of the corps selected and appointed to upon graduation. I am irrevocably opposed to disturbing the staff corps. I see in the proposal an effort to compromise with those who entertain the amalgamation idea. If all officers, line and staff, be similarly indoctrinated, as they would be if taken from Annapolis, I think that would be about as far as it would be practicable to go without interfering with efficient and economical procedure. This is a day and age of specialists. It is becoming more and more so. The tendency should be to make each specialist a better specialist. I am rather skeptical that the proposed procedure will work otherwise. It is my judgment that the Navy's high standing in the business world today is entirely owing to its efficient staff corps. These corps are efficient, not alone because of the inherent fine qualities of the individuals composing them but to that intangible essential—corps pride, corps spirit. If it be not preserved and fostered, in my judgment, irreparable harm will be done. I am fearful that the proposal is a backward step.

Of course, it is a day and age of specialists, and I do not propose to see, without protesting to the utmost, these splendid, efficient, naval staff corps rendered less efficient or detracted from one iota.

As I said in my report, staff men are purely specialists. They should become specialists just as early in their careers as may be possible and not wait to begin when they should be in the prime of their careers as specialists. The plan ignores efficiency and has no regard for economy, and I hope the House will join with us and support our proposal on page 8 of the bill designed to stop this unwarranted scheme.

Mr. Chairman, that concludes what I have to say at this time. The committee has given a great deal of time to this bill, having in mind at all times the needs of the Navy and a proper safeguard for the Treasury. Some phases of it I might change, if left to me alone. You may feel the same way, but, as a whole, I think it is fair and will meet the approval of the Navy Department and the country. I am sure I may say that it has the endorsement of all my colleagues on the committee who collaborated so diligently in its preparation, both Democrats and Republicans. I want to again express my appreciation to them for their splendid cooperation.

I thank you. [Applause.]

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. CARY. I yield.

Mr. MAVERICK. The questions I want to ask are for the purpose of getting information, and not to criticize the able gentleman from Kentucky, because the gentleman has a job that I am glad I have not. I think it is a horrible thing when we spend this much money for war preparations; and will the gentleman explain to this Committee the difference in use between the submarine, the destroyer, the cruiser, and

the battleship, and how much money is going to be spent on submarines? I ask this question for the reason that during the war Germany used submarines very successfully, and I am informed with respect to the use of battleships that battleships can be easily bombed and that we are wasting money in building battleships. I do not know myself, and I am asking this as a conscientious question.

Mr. CARY. The gentleman has propounded a very technical question, and one that would require considerable time to answer. As to the building program, there is set out in the report the number of each kind of war vessel we are going to build and the unit cost of each type. The whole program is one of replacement of over-age tonnage.

Mr. MAVERICK. I think that is a question that ought to come up, and I now want to ask my friend another question.

The gentleman said he thought our Navy should be the mistress of the seas and that it should be unequaled by any other nation. I think we should have a Navy for defense; but why should we be the mistress of the seas? We do not want to have our Navy all over the world getting us into trouble. Why should we be the mistress of the seas?

Mr. CARY. I do not think we ought to have it all over the world. I think the gentleman agrees with me. We know that this is the greatest Nation on earth, and we ought to have the greatest measure of national defense, because we have more to defend. [Applause.]

Mr. MAVERICK. It has more to defend in one place than another.

Mr. CARY. We have a great coast line on the east and also on the west, which makes necessary a great Navy. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. McLEOD. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, it is not my purpose at this time to make a detailed answer to my good and distinguished friend from North Carolina [Mr. WARREN].

Mr. MILLARD. Mr. Chairman, I think we ought to have a quorum present. The gentleman from Massachusetts has a message that ought to be listened to.

The CHAIRMAN. The gentleman from New York makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and two Members present—a quorum. The gentleman from Massachusetts will proceed.

Mr. MARTIN of Massachusetts. Mr. Chairman, I repeat that it is not my purpose to make a detailed reply at this time to my good and distinguished friend from North Carolina [Mr. WARREN]. That will come later. However, I do feel some statements he made must not go unchallenged at this time.

In the last few days it has been apparent there is a studied effort being made to draw across the trail of an honest fight to save a great industry, the red herring of partisanship and sectionalism.

I do not know whether the gentleman who spoke this afternoon speaks for the administration or not, but the applause which was accorded his remarks from the Democratic side of the House might lead me to believe this to be the case.

If that is so I am sorry. I am sorry for the hundreds of thousands of toilers who work in the textile factories. I am sorry for the small-crop cotton grower of the South. I am very sorry for the South, because if the policy the gentleman from North Carolina is advocating continues very long there can be no real future for the South.

We have heard how the cotton-export trade of the South has vanished. Mark my words, if the process tax is continued as it now stands, the South inevitably must return to a civilization built upon a crop of 6,000,000 bales of cotton.

I am sorry if this is to be the policy of the administration. I want to state most emphatically we who have been fighting for the preservation of a great industry; we who have been fighting for two great sections of the country, North and South, are not moved by partisan spirit.

It could not be partisan spirit that moved Senator GEORGE to rise in the other Chamber and request this processing tax be removed from the cotton industry and be taken from the huge relief fund, where it belongs.

There can be only one justification for this tax. The one purpose for which we could raise money is for the relief of the cotton growers of the South. If it is a relief problem, one industry should not bear a pay-roll tax of 50 percent in order to give relief to the distressed farmers of the South. It is too burdensome and cannot bring anything except ruin.

I am neither sectional nor partisan, nor am I opposed to the southern cotton grower. I read now several paragraphs from a speech that I made on March 18 last:

I am neither sectional nor partisan in my consideration of this problem. The cotton grower and the cotton spinner, whether they be in the North or the South, have a common bond of interest. It is decidedly to the benefit of each that the other shall be prosperous. If the cotton grower obtains a fair price for his cotton, he will be prosperous and he will have the purchasing power that will materially contribute to the activity of the cotton spinner. If the price is too high, beyond the figure which the consumer will pay, there will be a lessened demand and the grower and spinner alike will suffer.

If the cotton spinner is unduly penalized, if he is forced out of business, the grower loses a home customer which he will never replace. If the price is forced beyond a figure which will permit the export trade, there is sure to be an economic crisis in the South, because more than half of the cotton grown has in the past found its way to foreign countries.

Mine surely is not a partisan appeal, and I repeat, Senator GEORGE is not making a partisan appeal; Senator SMITH, of South Carolina, is not making a partisan appeal, when he opposes this tax. The Senator from North Carolina, Senator REYNOLDS, is not acting as a partisan when he opposes the tax on the cotton-spinning industry; nor is the Senator from Massachusetts [Mr. WALSH], nor the Senator from Rhode Island [Mr. GERRY], nor the Senator from Massachusetts [Mr. COOLIDGE]. These are all Democratic Senators. They know this policy is one which is going to bring disaster and destruction to a great industry in this country. The southern Senators know some more equitable solution is available, one which will help the cotton grower and not bring ruin to five times the number aided.

I said in the beginning, it looked as if a studied effort was being made to involve this great fight for an industry in a partisan and sectional strife. I deplore that and denounce it with all my vigor. The effort will not prevail because there is no basis to support it.

A few days ago the Secretary of Agriculture went to Brunswick, Maine, and enunciated a similar appeal to that which was uttered in the House today. Mr. Wallace made a sectional speech. He is trying to arouse sectional hatreds in this country; trying to fan hostility against New England to advance his own unsound policies and unwise experiments. If I were selfish, if I were only concerned about trying to build up the Republican Party, I would rejoice in these utterances. This attitude is certain to aid the Republican Party, but that is not what I am primarily interested in. I want to save an industry.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. TREADWAY. To ask who the gentleman thinks is the better judge of conditions in New England, the gentleman himself and others from his State representing textile districts, or the gentleman from North Carolina [Mr. WARREN], who spoke this morning, and the Secretary of Agriculture, Mr. Wallace, to whom the gentleman is now referring?

Mr. MARTIN of Massachusetts. There is no question about New England. I do not think any Democrat from New England will stand on the floor and say he favors the cotton-processing tax, but I want to emphasize that this is not a New England fight. There are just as many people in North Carolina who are heart and soul in favor of the transfer of this cotton-tax burden from the cotton industry. The North Carolina mills are closing just as well as they are in New England. It is not only the New England mills, but the southern mills as well, that are in jeopardy. That is why

there is this alliance which is deplored today in the House. Unity in action has been brought about between the North and the South—between all engaged in the textile industry—all are fighting shoulder to shoulder, because they realize only through unity of action can a great industry be saved.

A committee has been appointed by the President to review the troubles of the textile industry. One can only pray for the textile industry. The committee is to inquire not only into the processing tax, but also into Japanese imports, which is a vital matter. Who is on that committee? There is the little Caesar who heads the Department of Agriculture, Mr. Wallace. He is a member of the committee. Did anyone ever know when he uttered a statement which would give any protectionist a single hope?

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. KNUTSON. When Secretary Wallace appeared before the Committee on Ways and Means he stated that in his opinion any American industry or activity that could not stand on its own bottom and meet foreign competition should go out of business and go into something else.

Mr. MARTIN of Massachusetts. The gentleman has made a contribution against Secretary Wallace. You can go through all of the magazines and the newspapers, wherever his quotations are carried, and you will find the same line of thought runs in all of his statements. Then we have Secretary Hull as a member of the committee. No finer or more beloved gentleman lives in this country than Secretary Hull. I served with him in the House and I have great admiration for the man. I know his honesty and sincerity; but I ask anyone here if he would ever expect a ray of hope to a protectionist to emanate from Secretary Hull?

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. Not now; I want to continue further. This administration is doing a tremendous injustice to the textile industry. A year ago we had a very profitable trade with the Philippine Islands. Enough textiles were sold in those distant oriental islands to keep the mills in a city like Fall River going full time for 1 year. Lately Japanese products have been pouring into the islands until the American trade has almost vanished. The Filipinos realized they must buy some goods from America if they are to sell to America. They knew it was not a wholesome situation for either them or the United States, and they asked that a ban be placed on Japanese imports. The island government would have enacted the legislation which would have saved this rich market for American goods.

The State Department sent out a message with the result that nothing has ever been done and the outlook is dubious. More American jobs vanish daily and nothing is done about it. As Japanese goods pour into the Philippines, it is going to be difficult, if not almost impossible, to recover the lost trade. The people of that distant island will become accustomed to the cheap Japanese goods and will not want to pay the price the American mills must obtain. We are not whining, as Mr. Wallace said in Brunswick, Maine; we are not complaining; we are fighting for our very existence. I contend every man has a right to fight for the preservation of his own people. It ill becomes any man to try to curb this right; particularly one who champions special privilege.

Mr. CONNERY. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CONNERY. Now that the gentleman from North Carolina is present, I just want to say that the gentleman from North Carolina referred to this not being just a recent affair, but went back some 8 or 10 years. The gentleman from Massachusetts [Mr. MARTIN] knows as well as I do that the reason those mills left New England and went south was the low wages in the South, the long hours of labor down there, and until we got the N. R. A. and the 40-hour week, we did not get any break at all in the North. The ones which stayed there are the ones we are trying to protect today.

Mr. MARTIN of Massachusetts. The gentleman is exactly right. I might add that as the barriers become more equal, all of us have an opportunity to live.

Mr. FIESINGER. Will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes; just for a second.

Mr. FIESINGER. I wanted to ask the gentleman a question that is in no sense a criticism of his argument. The gentleman advocated putting upon the Government the process tax on cotton. Would the gentleman also do that with wheat and hogs and all these other things?

Mr. MARTIN of Massachusetts. I have not gone into that.

Mr. FIESINGER. I simply asked that—

Mr. MARTIN of Massachusetts. Now, I am going to answer the gentleman in my own way. I have not gone into detail concerning those other commodities. There are some commodities which might pass that tax along to the consumer. I do not know as to that. That would be a matter for study. I know as far as the cotton-textile industry is concerned at present it is impossible to pass that burden along to the consumer. Why? Because other commodities that are competing with cotton do not carry a processing tax. The result is there is a greater demand for rayon or some substitute which the purchaser can secure.

Mr. FIESINGER. The reason I ask the question is that I have in my district concerns which process hogs alone. They claim they are being forced out of business because of the processing tax. I have a situation right now that is very disturbing in my district because of the processing tax. I wanted to know, therefore, whether the gentleman advocated putting all processing taxes upon the Government?

Mr. MARTIN of Massachusetts. Well, I do not know about the hog situation.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mrs. ROGERS of Massachusetts. Is it obvious that the administration is not only throwing overboard the New England Governors, Democrats as well as Republicans, but also southern Democrats who are fighting to save their mills and the markets for the raw-cotton workers? Over 10,000,000 people are dependent upon the cotton industry.

Mr. MARTIN of Massachusetts. I will say to the lady that when we go to the White House—if we are ever permitted to go—we will present a petition signed by more than 70 Members of Congress. In that petition will be signatures from more than 19 States, and they include both Democrats and Republicans alike. There is going to be no special group go to the White House. Anyone who is honest and sincere about winning this fight will be privileged to come. If we are thrown overboard, it certainly means a rebuff to a great part of our population and to Democrats and Republicans alike.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CHRISTIANSON. I was going to make a suggestion in connection with the question which the gentleman from Ohio asked the gentleman from Massachusetts. The purpose of the processing tax on wheat, corn, and hogs as compared with and contrasted to the processing tax on cotton, as I understand it, was to secure a reduction of acreage. Acreage reduction is practical in connection with corn and wheat because the total production is not greatly disproportionate to the domestic demand. But there is no intention upon the part of the cotton farmer, by means of the processing tax or otherwise, to curtail his production to such an extent that he would produce only for the domestic market.

The cotton farmer must rely upon the foreign market, else the whole Cotton Belt goes broke. So there is a reasonable justification for the processing tax on corn and wheat which cannot be asserted with respect to the processing tax on cotton.

Mr. MARTIN of Massachusetts. Cotton is dependent primarily upon the export trade.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes; briefly.

Mr. KNUTSON. If the Southern cotton grower is compelled to reduce his acreage to meet local demands it fol-

lows naturally that he will be driven into other lines of agriculture in competition with the northern farmer. It is to our interest, therefore, to see that he is protected just as much as the farmer of any other section.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield to the gentleman from Massachusetts, but I must decline to yield further.

Mr. GIFFORD. It was stated earlier in the day that the entire Democratic delegation from New England called on Secretary Roper. I think the Republicans would have been glad to join them, would they not?

Mr. MARTIN of Massachusetts. The Republicans from New England will join in any effort, no matter who sponsors it, that will improve conditions in the textile industry.

Mr. GIFFORD. It was made to appear as a partisan question. The other question I want to ask the gentleman is whether he can recall at any time or place during these debates that any New Englander has said anything to the effect that he did not want the farmers to have the benefit they derive from the processing tax, whether what he said was not simply that he wanted it paid some other way? We would vote for any method that would give them this money in any other way.

Mr. MARTIN of Massachusetts. I have been very careful to say on every occasion that I believed there was genuine distress among the cotton farmers of the South; that these people should be given assistance; but I have said also the present policy of affording relief, the present method of administration by the levying of processing taxes, is not wholesome or constructive. In the end it means disaster. The cotton farmer can get a dole now, but he will find eventually he has sold his birthright for a mere pittance.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I am sorry; I cannot yield.

Mr. PARSONS. I will try to get the gentleman some additional time.

Mr. MARTIN of Massachusetts. Mr. Chairman, I cannot yield.

[Here the gavel fell.]

Mr. CARY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 7672, the Navy Department appropriation bill, 1936, had come to no resolution thereon.

#### SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 1572. An act to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended.

#### NAVY DEPARTMENT APPROPRIATION BILL, 1936

Mr. CARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7672) making appropriations for the Navy Department and the Naval Service for the fiscal year ending June 30, 1936, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7672, with Mr. McCORMACK in the chair.

The Clerk read the title of the bill.

Mr. McLEOD. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Chairman, I rose primarily to speak about the question of Japanese imports.

That was my main purpose until diverted by the address of the gentleman from North Carolina.

The country in the last 6 weeks has been aroused to the serious situation which confronts the textile industry and many other industries because of the heavy importation of goods from Japan. It is astounding, the importations, which deprive the American worker of his chance at a job, should be allowed to continue unchecked. The figures have been given out showing where in 30 days the textile imports this year were in excess of 10,000,000 yards, or 50 percent, more than they were for the entire period of last year.

It would appear as if these startling statistics from the Government's own Bureau would arouse someone in this administration to a sense of the duty owed to the American people.

In a previous speech I pointed out the Japanese invasion was a menace to many other industries as well as to the textile industry. I spoke of the danger to the silverware, jewelry, and allied metal industries. I referred to the heavy imports of tennis rackets, rubber-soled shoes, thermos bottles, toys, paper novelties, gloves, flashlights, incandescent lamps, britannia ware, pencils, rubber goods, and many other articles which come into conflict with American prosperity.

Today I want to go into more detail concerning the silver and silver-plated hollow-ware importations. In 1928 they were a minor factor in American trade. In that year less than 1 percent of the total sales of silver-plated hollow ware in this country represented goods from foreign factories. During the last 5 years, and particularly in the last 2 years, they have jumped sensationally. In 1933 the Government figures showed approximately 15.3 percent of the total sales of silver-plated hollow ware represented goods of foreign manufacture, and, for the most part, representing Japan. In 1934 the foreign manufacturers had acquired nearly 25 percent of the home market, and this year there has been a continued upward move of imports. In August of 1934, the last month for which figures are available to compare both home and foreign industry, 42.4 percent of the goods sold in America were of foreign manufacture.

Is it any wonder, I ask, that the silver factories of Massachusetts, Connecticut, New York, Rhode Island, Maryland, Ohio, New Jersey, and Illinois are operating on short schedules and the skilled workmen are crowding the bread lines begging for an E. R. A. job? These figures may appear small as compared to other American industries, but they are alarming to those engaged in this one. And we must not forget the greatness of American industrial life rests upon the many thousands of small industries, all contributing materially to the upbuilding of the Nation.

It is interesting to note the progress of the Japanese in this highly specialized field. In 1929 they shipped into the United States silver-plated hollow ware to the value of \$8,000; the United Kingdom sent \$118,000; and all other countries \$16,000; making total imports of \$142,000. In 1930 the Japanese share of the trade was \$28,000; the United Kingdom, \$226,000; and other countries, \$16,000; total, \$270,000.

In 1931 there was a stopping of some of the gaps and a downward trend in imports was noted. That year the Japanese sent in \$26,000; the United Kingdom, \$188,000; and other countries, \$19,000; making a total of \$233,000.

There was a continuing decline in 1932 in the total, which was \$209,000; but not so with the Japanese imports, which doubled as they began their drive for the American market. That year Japan sent here \$47,000 worth; United Kingdom, \$149,000; and other countries, \$13,000.

In 1933 the Japanese sent here \$209,000 worth of goods, an increase of nearly 500 percent. The United Kingdom imports increased to \$209,000, and the other countries sent in \$18,000, making a total of \$436,000, an increase of 100 percent over the previous year.

In 1934 the Japanese sent about \$420,000, almost as much as the entire imports of the previous year; the United Kingdom increased their exports to \$280,000, and other countries to \$24,000. The total of \$724,000 is a 75-percent increase over the previous year, despite the remarkable increase that

had been recorded that year. The Japanese imports had increased 1,100 percent in 5 years and were steadily growing.

These figures should be of interest to the Representatives of the silver-mining States. The silver used in the factories of America came from the silver mines of America. The more prosperous and the busier the American silver factory the better it is for the silver miner of the West.

To make the situation of the American manufacturer more difficult, it should be known they are forced into competition with clever imitations of an inferior quality. The Japanese silverware article is not a quality product, but, as turned out, it appears to the uninitiated purchaser as a fairly good piece of merchandise selling at what seems to be a bargain price. The buyer does not know that the average silver-plated serving tray, sandwich plate, vegetable dish, relish dish, or platter made in Japan has an antimony and lead base covered with a mere "flash" of silver that will disappear after a short period of service. There are no bargains in Japanese goods; but the public, deceived by low costs, do not realize that fact.

The situation is aggravated by Japanese agents who are constantly on the lookout for new designs and styles. Just as soon as they find an American-made item that is selling well they purchase a sample and rush it to Japan to be copied. In a remarkably short time there is a Japanese reproduction of inferior quality on the American market selling for one-tenth the price the American manufacturer is obliged to ask to meet with the requirements of the N. R. A. and to give his employees an American wage.

A while ago, the Tariff Commission ordered cigar lighters which were alleged to be an imitation of a lighter manufactured by the Art Metal Works, Inc., of Newark, N. J., prohibited from importation because it was considered an infringement upon a patent. Did this disturb the Japanese lighter manufacturers? Not at all. They simply went ahead and copied the product of an Attleboro concern and are now shipping in large quantities of lighters. It is impossible to expect any industry can compete successfully with this type of competition. Surely it must be obvious some type of protection is essential if we are to have any industry left in the United States.

Japan has copied all too well the mass production of the American Nation. It employs the last word in machinery, and this, plus the starvation wage scales and long hours of labor, makes an invincible foe.

Great Britain and the Netherlands have lower wage scales than we do. Yet these countries find it impossible to compete with the Japanese. The great factories of Birmingham feel the pinch of markets lost abroad. They have become alarmed at the threat upon their own home market and are taking steps to save an industry that provides a livelihood for thousands of workers. If these two countries can take steps to protect their industrial enterprises, I ask with all sincerity why cannot the Government playboys of this administration do the same?

We are spending untold millions, arming to resist a possible military attack from the Orient. I hope and pray that conflict will never come. There is no reason in the world why there should be a war in this civilized day between us and the new-born industrial Empire of the East. Destruction and disaster to both would be the result of any such clash.

The sober judgment of the thinking men of both Nations, I believe, will prevent a military war. But we cannot hide the signs that are multiplying everywhere of the cruel and destructive industrial war which is being waged right here within the confines of our own country.

Shall we remain idle and watch the industrial supremacy which was ours be destroyed? Shall we be inactive while the jobs of hundreds and thousands of men and women are lost for all time? Shall we be quiet while closed factories and stilled chimneys are the price we are asked to pay for experiments in foreign trade? Has it come to pass, I wonder, that the American people will not insist upon the preservation of the trade markets that rightfully belong to them?

If we permit one industry after another to be extinguished, as we are doing at the present time, there will be no need to spend millions for national defense. There will be nothing here which will excite the envy of another people.

The best bulwark of defense we can erect is to maintain the industries of America on a solid and prosperous basis. Keep for them the rich home market so they can continue to pay the best wages paid to any people on earth. Give the Americans business which belongs to them, and they will give the employment, which will bring happiness and prosperity to many people. Preserve these industries and we take people off the relief rolls and secure the revenue which will be essential in the years directly ahead.

Surely, there is no greater problem, none more pressing than this one, and I hope it is not too much to ask for immediate and intelligent action, which will send us along the road to recovery, which must continue to be the shining goal toward which we press.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. WOLCOTT. I would like to observe in connection with the gentleman's remarks that it is reported in today's paper that the Cabinet committee appointed by President Roosevelt to study the situation in the textile industry has rendered a tentative finding to the effect that it can expect no relief so far as the raising of tariffs was concerned.

Mr. MARTIN of Massachusetts. If this be true, and if this report is carried out, then I say the administration will rue the day they made this decision. It means poverty, distress, and destitution for hundreds of thousands of the American people. [Applause.] An outraged public opinion will not sustain any such decision.

Mr. CONNERY. Mr. Chairman, if the gentleman will permit, I would add also that the paper says the committee disagreed with the view that the trouble in New England might be because of obsolete machinery for they found that in the South where they have up-to-date machinery the industry is just as badly off as it is in New England.

Mr. MARTIN of Massachusetts. The gentleman understands that it is not a question of machinery that we are contending for; that can be remedied by private effort. What we are contending for is a chance to make a living. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. McLEOD. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, this morning the House listened to a presentation of the Democratic position on the processing tax and other good, sound Democratic doctrines. A very high compliment, in my opinion—unintentional, perhaps—was paid by the speaker, the gentleman from North Carolina [Mr. WARREN], to myself and other members of the Massachusetts delegation in designating us as the "high priests of protection." I thank the gentleman for these kind words in behalf of my colleagues and myself. We acknowledge that protection has cared for the industries of this country since its foundation; and we are glad to be able to testify to the prosperity that followed protection. We are equally sorry that when the Democratic Party comes into power it takes unto itself a wrong method of revising the tariff, an illegal method, an unconstitutional method that, forsooth, of having a bill passed providing for what are known as "reciprocal treaties." Well, if they are treaties, they should be approved by the Senate of the United States in accordance with the Constitution. This has not taken place; and now we are here as suppliants, begging Congress to do something for the industries that the Democratic Party is doing its best to break down. So I thank our friend from North Carolina, so extremely courteous, for referring to us as the advocates and supporters of the policy that has made for prosperity in this country from its foundation.

Mr. Chairman, I am not here this afternoon to answer the arguments made by that gentleman. My colleague the gentleman from Massachusetts [Mr. MARTIN] has touched very effectively on a good deal of that matter. I am more interested at the moment in a very remarkable speech made on

March 6 by another gentleman from North Carolina, my esteemed friend, the Chairman of the Ways and Means Committee [Mr. DOUGHTON].

#### JAPANESE COMPETITION AND THE RECIPROCAL TARIFF ACT

I refer to the speech as being remarkable, not so much for its eloquence or profundity, as for its vituperative expressions and its lack of facts or reason.

We all love the gentleman, and respect his sincerity of purpose, but sometimes his partisanship and his zeal get the best of him and words fall from his lips which come neither from his heart nor his mind. In his speech he was attempting to defend a law which was not at all in accord with his previously expressed principles and precepts, and therefore we may condone many of the things he said, knowing that they were uttered only for effect and not from conviction.

The gentleman opposed the flexible tariff provisions of the 1930 Tariff Act, which made the President the agent of Congress in maintaining duties at such a level as to equalize foreign and domestic production costs. On May 17, 1929, in discussing this section of the bill, he said:

My friends, this is too dangerous and alarming to contemplate. With all this power vested in the President of the United States, he becomes a colossus. It is too much power and authority to lodge in any man who ever has been or ever will be President of the United States.

The gentleman said, "Whoever has been." He was then referring to the past administrations, but when he added "Whoever will be President of the United States" he little thought how that expression would come home to plague him. At that time we were discussing the flexible provision which was proper and within constitutional limitations, but now he comes before this House and advocates something contrary to the Constitution and the statutes and then says we were not stating facts when we criticize him, and the "new method." I prefer to regard the opinion of the gentleman from North Carolina expressed as coming from his heart and mind in 1929 and his present references to the situation as coming from his party loyalty, if you want to call it that. However, it is more. Let us be charitable toward him and say it was party loyalty rather than dictation from either the Post Office Department or the White House.

President Roosevelt today holds the very power which the gentleman opposed, but in addition he holds absolute dictatorial power over the tariff, without the limitations imposed under the provisions of the 1930 law, and the gentleman from North Carolina, as Chairman of the Ways and Means Committee and a good Democrat, was obliged to fight for the enactment of that legislation, namely, the reciprocal tariff act.

I respect the gentleman for being a good private in the rear ranks, but he does not have to come in here and tell us what to do when we have that record of what he actually said on this floor.

Mr. Chairman, I am going to repeat to a certain degree, but in different language, what my colleague the gentleman from Massachusetts [Mr. MARTIN] has just said.

Mr. Chairman, to my mind, the present critical condition of the textile industry illustrates most plainly the danger of continuing the administration's tariff-reduction policy now being carried out under the reciprocal tariff act. Japan has begun flooding the domestic market with bleached and colored cotton cloth at prices which domestic manufacturers are unable to meet, due in a large measure to an inadequate tariff. The principal imports are of bleached cloth, on which there is at present only an ad valorem duty.

Of course, the Members will understand that as the value of an article goes down the ad valorem duty goes down with it.

The following figures, showing the importation of bleached cloth from Japan, picture the competitive situation much better than I can do so in words. Note how the imports have been increasing:

In January 1934 we imported only 3,960 square yards of bleached cloth.

By June 1934 the imports had increased to 179,948 square yards.

In December the imports jumped to 1,994,743 square yards.

In January 1935 they had increased to 2,633,295 square yards.

The latest available figures are for February, which show an importation of 4,347,739 square yards.

At the rate the imports are increasing, it is apparent that the Japanese eventually may displace the entire domestic production of bleached cotton cloth.

The Secretary of State, Mr. Hull, in attempting to minimize the effect of Japanese competition in the textile industry, states that the Japanese imports in 1934 were less than one-tenth of 1 percent of the value of cotton piece goods consumed in this country. The Secretary may be right as to 1934—I do not know—but it is the 1935 importations that are alarming. In the first 2 months of 1935 we have imported more bleached cotton cloth from Japan than was imported in the entire 12 months last year. What has the Secretary to say to that?

Even though the Japanese imports may be a small percentage of the total production, the proportion is increasing by leaps and bounds, and the Japanese price is beating down the domestic price all along the line. How long the domestic mills can continue to compete is questionable. No one is going to buy American cloth if they can secure it from Japan duty paid at a much lower price. That is why importations are increasing in such large proportions. That is why every month the importations from Japan are double what they were the previous month.

Here is some further interesting data regarding the Japanese importations. The average unit value of the bleached cotton cloth imported from Japan in 1934 was 4.2 cents per square yard. The average value of all countable cotton cloth imported from that country was 4.7 cents. How does this compare with the unit value of importations from some of the other countries? Here are the figures:

	Cents (square yard)
Japan.....	4.7
Switzerland.....	15.5
United Kingdom.....	21.2
Belgium.....	15.3
Netherlands.....	18.1
Czechoslovakia.....	15.5
Germany.....	32.7
France.....	49.0
Italy.....	36.5

Of course, some of these countries supply us with a finer grade of cloth than is imported from Japan, but the figures indicate that the Japanese price level is in general far below the average for the other countries. That is why we are troubled at this time only with Japanese competition.

DEMOCRATIC ADMINISTRATION OFFERS LITTLE SOLACE TO DOMESTIC  
PRODUCERS AND WORKERS

Recently a group of New England governors waited upon the President with a view to seeking his assistance in relieving conditions in the textile industry. What sort of a reception did they receive at his hands? According to an account of the meeting published in the Washington Post for April 13, the President listened to them for three-quarters of an hour, and then, after belittling the effect of Japanese competition, turned them over to a group of his Cabinet officers.

The Post reporter had this to say of the President's press conference following this meeting:

After he had conferred with the governors, President Roosevelt revealed at his press conference that he had challenged their contentions as to the serious effect of Japanese importations on the industry here. He indicated that he regarded the basis of many of the textile manufacturers' complaints as propaganda.

That is what the President thought of their representations.

PRESIDENT'S CABINET COMMITTEE UNSYMPATHETIC

The press last Saturday carried a story to the effect that the President had finally appointed an official Cabinet committee to look into the textile situation. Apparently, he

realized that our New England people were not going to be trifled with in a matter so vital to their welfare.

The appointment of this committee might be commended except for one thing—its make-up. The following Cabinet members compose it: The Secretary of State, Mr. Hull; the Secretary of Agriculture, Mr. Wallace; the Secretary of Commerce, Mr. Roper; and the Secretary of Labor, Miss Perkins.

From the standpoint of sympathy toward the textile industry, the President might just as well have appointed a committee of Japanese textile manufacturers to study the situation. The Secretary of State is the same man who is at present engaged in destroying the existing Republican tariff by reducing rates on every hand without regard to differences in foreign and domestic costs of production. He is the same man who, in a letter to the Chairman of the Ways and Means Committee—printed on page 5855 of the CONGRESSIONAL RECORD for April 17—says:

In my opinion it is not only unwise as a general policy to yield to the demand for greater restrictions upon imports, but would be particularly unfortunate at this time, since such action could but weaken the leadership of the administration in the effort that it is making to reduce the many restrictions hampering the flow of international trade.

I believe that we should resist any effort to stampede this Government into unnecessary and unwise action against Japanese competition, whether in textiles or any other commodity.

In other words, one of the members of the President's committee feels that the dying textile industry of New England must be subrogated in favor of the whimsical and moth-eaten free-trade doctrines which he is trying to put into effect. Our mills must be shut down so as not to weaken the leadership of the Democratic administration in lowering tariffs. The livelihood of New England is to be sacrificed for the impractical and idealistic theories of one man.

SECRETARY WALLACE IS BITTER TOWARD TEXTILE INDUSTRY AND NEW  
ENGLAND PEOPLE

The Secretary of Agriculture, Mr. Wallace, is the same man who, in a speech at Brunswick, Maine, last Wednesday, insulted the good people of New England by saying that they were whining, flabby, lacking in guts, selfish, and unpatriotic. He is the same dictatorial person who said it was time for New England to give up her textile mills and seek new lines of endeavor, possibly the manufacture of prefabricated houses. He is the same man who, during the hearings on the reciprocal tariff bill, inferred that we should not produce in this country anything that we can buy cheaper elsewhere.

The Secretary of Commerce, delightful gentleman that he is, is the same man who appeared before the Ways and Means Committee in support of the doctrines of Secretaries Hull and Wallace respecting the removal of "trade restrictions."

So far as the Secretary of Labor is concerned, I do not know her views upon the tariff, and therefore will give her the benefit of the doubt, and will at least suppose that she is sympathetic toward the textile workers who have lost their jobs and those who are on the verge of losing them.

In view of this line-up it is apparent that the President's committee is stacked at least 3 to 1 against the domestic textile industry.

The gentleman from Michigan a few minutes ago called attention to what evidently will be the report of such a stacked-up committee as that.

AN ANSWER TO SECRETARY WALLACE

The attitude of New England toward the remarks of Secretary Wallace, to which I have referred, is ably presented in an editorial in the Boston Post, a staunch Democratic newspaper, for April 18. The editorial reads:

[From the Boston (Mass.) Post, Apr. 18, 1935]

THE WALLACE TRADE

The speech of Secretary Wallace at Brunswick, Maine, is not what should be expected from a responsible statesman. It is the tirade of a sour, resentful man, full of bitterness because his policies have been criticized and questioned in New England.

His answer to protests from this section is a torrent of abuse, some of it coarse and vindictive. He arraigns New England as "flabby", "lacking guts", "selfish", "unpatriotic", "chiselers", and a few more epithetic characterizations.

New England has taken care of her own to a greater extent than any other part of the country. We have borne the burdens of this depression with less complaint; and we have refrained from chiseling on the public funds while other States were wallowing in Federal cash.

We do not need Secretary Wallace to teach us patriotism. Here the American Republic was born. New England sons have defended it on every battlefield of every war; and while some other parts of the country, notably right in Mr. Wallace's backyard, have been howling "revolution", New England has stood firmly behind President Roosevelt and his administration.

Secretary Wallace's speech is more than an insult—it is a disgraceful exhibition of personal spite and spleen.

That is the leading Democratic paper of New England from which I just quoted the editorial.

#### NEW ENGLAND KNOWS THAT TARIFFS HELP TO KEEP MILLS GOING

A further answer to Secretary Wallace is found in an editorial in the Boston Herald for April 19. After referring to the Secretary's "insulting speeches and offensive remarks", the editorial states:

The Secretary's biting comments on Alexander Hamilton, corporations, and the morally "rotten, despicable" tariff are distinctly Tugwellian. Of course, New England has profited from the tariff. Every section of the country has. The more the South becomes industrialized, the more eager it will be for additional protection against foreign competition. The "rotten, despicable" thing is now a world-wide phenomenon, more impressive than ever before, and New Englanders will wonder why a tariff which helps to keep their mills going should bring down the wrath of a peevish Secretary.

#### INDUSTRIAL SITUATION IN MASSACHUSETTS IS ACUTE

I can best point to the seriousness of the industrial situation in New England, and particularly in Massachusetts, by quoting from a letter which I received a few days ago from one of the industrial leaders of that section. He said:

I really think the industrial situation in Massachusetts is very bad. Not only have we already lost a very large proportion of our industries but I know of several more that are on the very verge of leaving the State. Yesterday the vice president of one large industry told me that he was having all he could do to persuade his associates to continue the operation of the plant in Massachusetts.

Frankly, I do not know what anyone can be thinking of to put any further burdens upon industry. Secretary Wallace either totally misunderstands the situation and is not informed of the facts or else he has let himself get into a frame of mind that is typical of some other members of this administration, whereby he has become mentally stubborn and unwilling to recognize the facts as they exist.

I know it means very little to the Secretary of Agriculture when mills in New England close down, but I will say to him that the people of New England know what it means, and when the next election rolls around they are going to show their resentment toward the Democratic administration for the way in which they have been treated.

#### HAVE INTRODUCED BILL TO STEM JAPANESE COMPETITION IN TEXTILES

In order to meet in some measure at least, the present destructive Japanese competition in the textile industry, I have introduced a bill which has for its purpose the restoration of the old minimum specific duties on bleached and colored cotton cloths which were dropped in the last tariff act. The great bulk of the Japanese imports of cotton cloth is of these varieties. There is no appreciable importation of unbleached cloth, because it is protected by the same kind of a duty as I propose for the bleached cloth.

Under the terms of my bill, the duty on bleached cloth would in no case be less than three-fifths of 1 cent per average number per pound, regardless of value. Thus, in the case of cloth having a thread count of 50, the minimum duty would be 30 cents per pound. The present duty on this cloth is 30.5 percent ad valorem, but due to the low price of the Japanese imports, the rate is entirely inadequate. With a specific duty in effect, the value would be ignored, unless the ad valorem rate would bring a higher rate of duty than the specific rate.

We do not need a Cabinet committee, a tariff commission, or a congressional investigation of conditions. We need action, and the enactment into law of such a measure as I have introduced. Let the Democrats now show their great nonpartisanship by acknowledging the reason for the situation facing New England today.

#### ONLY HOPE FOR RELIEF IS IN ELECTION OF A REPUBLICAN ADMINISTRATION

At the present time, the outworn and idealistic free-trade theories of the Secretary of State stand in the way of adequate tariff protection for American industries and for American workers. Not alone is increased protection impossible, but the administration is now engaged in scaling down existing duties which were set up for the express purpose of protecting domestic industries from destructive foreign competition.

The only hope for industry and labor lies in the election of a Republican administration in 1936, in order that the Government of the United States may once more be run for the best interests of our own people. [Applause.]

#### PROPAGANDA EPITHET HURLED AT POTATO GROWERS BY ADMINISTRATION

I was very much interested in a statement given to the press by Secretary Hull on April 16, in which he said that letters from Maine potato growers relative to the proposed trade agreement with Canada were the result of "organized and directed propaganda."

It appears that the letters inferred that the administration had virtually decided to reduce the duty on Canadian potatoes. Secretary Hull did not say that the duty would not be reduced, but left that avenue open by saying:

The statement being circulated is without foundation. The recommendations with respect to individual items which may be included in the trade agreement have not yet been formulated.

The fears of the Maine potato growers are fully justified in view of the reduction in the duty granted in the case of Cuban potatoes under the trade agreement with that country, and it is proper to assume that the same attitude will be taken by those negotiating the trade treaty with Canada, as potatoes are potatoes whether grown in Canada, Maine, or Cuba. It is therefore unfair for the administration to say that they were guilty of issuing false propaganda when they were only imploring the President not to destroy their local industry.

According to an Associated Press dispatch from Houlton, Maine, under date of April 17, the Aroostook County growers resented the imputations of the Secretary's statement. One spokesman for the growers was reported to have said that they considered it an "affront." The same man went on to say that the letters addressed to the President were "genuine documents coming from the heart of an already oppressed group of farming people seeking to save their future prosperity from further menace."

Mr. PARSONS. Mr. Chairman, I make the point of order that the gentleman is not in order because he is reading into the RECORD newspaper articles that are not his own remarks, contrary to the rules of the House.

The CHAIRMAN. The Chair assumes that the gentleman from Massachusetts is thoroughly familiar with the rules of the House. The gentleman will proceed in order.

#### TARIFF AUTHORITY GIVES DICTATORIAL POWER OVER AMERICAN INDUSTRIES

Mr. TREADWAY. The fact that the potato growers appealed to the President rather than to Congress to save their industry from destruction only goes to show how far our system of government has been changed since March 4, 1933. Under the Constitution, Congress, in the person of the elected representatives of the people, is supposed to have full power over the tariff. Now, however, one man has full authority to say whether an industry dependent upon tariff protection shall continue to exist or shall be sacrificed to foreign competition in an effort to help some other industry.

#### DEMOCRATS THEMSELVES HAVE WORLD'S GREATEST PROPAGANDA MACHINE

So far as the issuance of propaganda is concerned, the Democratic administration has set up the greatest organization for that purpose the world has ever known. Every department of the Government, every alphabetical bureau, has paid publicists on their pay roll.

One of the most brazen propaganda that has been issued emanates from the Agricultural Adjustment Administration. In the issue of the Consumer's Guide for April 6 there appeared a demagogic, misleading, sarcastic, and partisan attack upon the present Republican tariff. It had no place in any official organ of the Government, especially one

which is supposed to give information and facts and not biased and prejudiced political views.

An allotment of the taxpayers' money is made annually for the printing of this publication, which has a mailing list of 70,000. It is only another illustration of the tendency of the administration to use the Public Treasury for a campaign chest. The gentleman who is responsible for this organ apparently has a very perverted idea of the proper functions of his office. I am surprised that the President would allow it to be continued.

Items of this nature are regarded as informative to the people, but correct information from other sources is rated by the administration as propaganda. It just depends on whose ox is being gored.

#### HIGH PRODUCTION COSTS DISCOURAGE EXPORTS, ENCOURAGE IMPORTS

The administration appears to occupy a rather peculiar position, when on the one hand it seeks to expand our foreign trade and on the other hand makes it more difficult to market merchandise abroad and to compete with foreign products in the home market by raising production costs. There ought at least to be a consistent policy. If we are going to trade abroad, we must be prepared to meet world production costs and world selling prices, and so far as the domestic market is concerned we cannot hope to withstand foreign competition, in spite of present tariffs, if our production costs are to be raised still higher above the world level.

#### NO JUSTIFICATION FOR LOWERING DUTIES ON COMPETITIVE ARTICLES

The administration contends that we must reduce our tariffs so that foreign nations can send us more goods with which to pay for increased purchases from us. That all sounds very well, but it is no reason why we should reduce tariffs on products which we produce at home and with which we are perfectly capable of supplying the domestic market, or at least a large part of it.

Doubtless we will buy more coffee, more raw silk, more rubber, and other noncompetitive products if foreign countries buy more from us, but there is no justification for the administration's present policy of lowering the duties on competitive articles such as sugar, cement, plate glass, textiles, and so forth, so that some other domestic industry can sell more goods abroad.

One industry has as much right to exist in this country as another. There should be no favoritism, either of one industry against another or of one section against another.

#### CUBAN TRADE AGREEMENT HAS WORKED TO DISADVANTAGE OF THE UNITED STATES

The President has entered into several trade agreements which involve reciprocal reductions in duties by this country and certain other foreign countries. The first agreement entered into was that with Cuba, which became effective last September.

Mr. Chairman, let us see what happened under this agreement. We have heard a lot from our Democratic friends as to the great benefit to be derived from this Cuban reciprocity agreement. Let us find out about it.

The gentleman from North Carolina [Mr. DOUGHTON] said in his speech of March 6 that I could not see any good in any trade agreement, "even if the United States gains two or three times as much as the other country involved." I would reply to the gentleman by saying that he apparently cannot see any bad in any trade agreement, even if the United States loses four times as much as it gains, as has been the case under the Cuban agreement.

It is a rather violent assumption to think that the United States will ever gain any advantage in any international dealing. When that ever happens the sun and the moon will stand still and water will run uphill. No one ever heard of such a thing. As the cowboy humorist, Will Rogers, has said, this country has a habit of winning its wars but of losing its international conferences.

Let me cite the figures in connection with our trade with Cuba during the last 12 months. The Cuban agreement was signed August 24, 1934, and became effective 10 days later. In the 6-month period from September 1934, to February 1935, we sold to Cuba merchandise of a value of \$27,-

203,537. This represents an increase of \$4,342,641 over the volume of the previous 6 months from March to August, inclusive.

From September 1934 to February 1935, we imported from Cuba merchandise of a value of \$49,646,627, as against \$33,298,767 in the previous 6-month period. This represents an increase in the value of imports of \$16,347,860.

These figures mean that in order to sell Cuba an additional \$4,000,000 worth of merchandise in 6 months, we had to import an additional \$16,000,000 of merchandise. Cuba, therefore, has the advantage by 4 to 1, and yet the gentleman from North Carolina cannot see why I am opposed to this tariff bargaining.

Of course, the gentleman is something of a horse trader, as we Yankees up in New England are, but I do not think as a Yankee trader we should get into that kind of bargain. I am surprised he would sponsor legislation which would permit of this one-sided kind of bargain.

#### GENERALIZATION OF CONCESSIONS

Aside from the practical results of the operation of the Cuban agreement, I want to point out another reason why we cannot hope to gain any net benefit from the negotiation of these trade treaties. I refer to the administration's policy of generalizing the rate reductions granted to one country so as to make them applicable to imports from any country. Only the reductions granted to Cuba are excepted from this general policy.

The following press clipping from Mr. Paul Mallon's column in the Washington Star for March 9, just a few days after the gentleman from North Carolina made his address, tells the story very succinctly. I quote:

The whooping new-deal publicity about the Belgian trade agreement did not say so, but there was a trick in that treaty. The lower import duties which we promised to Belgium are applicable not only to Belgium but to every other country. In other words, the reduced tariffs we granted her are really general tariff reductions.

The Yankee traders are now in their storm cellars here awaiting the reaction.

Just to show that this article is based on fact and not on fiction, I wish to quote from the following circular letter sent out by the Commissioner of Customs to all collectors, It is dated March 6, 1935, and reads as follows:

[Bureau of Customs, circular letter no. 1348]

TREASURY DEPARTMENT,  
BUREAU OF CUSTOMS,  
Washington, March 6, 1935.

To collectors of customs and others concerned:

#### BELGIAN TRADE AGREEMENT

There is appended hereto copy of schedule II of the Belgian Trade Agreement concluded on February 27, 1935.

The rates set forth will apply, under the conditions indicated in the headnote, to the articles described in the schedule, imported from any country, which are entered for consumption or withdrawn from warehouse for consumption on or after the thirtieth day following the proclamation of the agreement by the President and its simultaneous publication in the *Moniteur Belge*. The President may, however, suspend the application of the reduced rates to articles the growth, produce, or manufacture of a particular country or countries.

The preferential reduction in duties accorded Cuban products will be computed on the basis of the new rates established by this or any similar agreement.

Further information as to the effective date will be furnished when available.

FRANK DOW,

Acting Commissioner of Customs.

WE GIVE TARIFF CONCESSIONS TO ALL COUNTRIES TO GET A BENEFIT FROM ONE

Under this policy, although we receive a benefit from only one country, we extend our concessions to all countries, even those with whom we have no most-favored-nation treaties. How does anyone figure we can get any net gain under that sort of procedure? Even if we received an even exchange from the country to whom we granted a particular concession, we stand to lose with respect to all the rest of the nations of the world who grant us nothing in return.

Of course the State Department will combat this argument by saying that we are not harmed by this generalization of the rates, since the concessions are extended only to countries

which are our chief source of supply for a particular commodity. That, however, is not true. The recent Belgian agreement discloses that in the case of over a dozen of the commodities on which concessions were made, Belgium was not the principal source of importation.

In the case of cement, Belgium outranks Denmark as our chief source of supply by only a small margin. In 1934, we imported 40,000,000 pounds from Belgium and 35,000,000 pounds from Denmark, out of a total of 98,000,000 pounds. We reduced the duty on Belgian cement by 25 percent in return for a concession from that country, but we extended the same reduction to Denmark without receiving anything in return.

#### HOME MARKET MOST IMPORTANT TO DOMESTIC PRODUCERS

As bearing upon the relative importance of our foreign trade, I have made the statement from time to time that we normally consume within our own borders 90 percent of what we produce. No one can take issue with that statement, because it is a fact, but some persons have attempted to destroy its effect by saying that it does not apply to cotton, for example.

My answer is that I did not apply it to cotton or to any other single commodity, but to production in general. I was demonstrating that, considering the country as a whole, our foreign market is of secondary importance to our domestic market and therefore should be given secondary consideration. In other words, I was arguing against letting the tail wag the dog, as the friends of the reciprocal-tariff law propose.

There are doubtless many instances where some domestic industries export more than 10 percent of their production, but that is no reason why they should insist on pulling down the whole tariff structure and sacrifice the 90 percent for the 10 percent.

I have always insisted that we should legislate for the greatest good of the greatest number, and I still feel that this is the only fair policy we can follow. No doubt many of our great export industries would like to regain their old foreign markets, but that is no reason why all the great domestic industries that are not so reliant on foreign trade should be sacrificed for their benefit.

#### SOME FOREIGN MARKETS IRRETRIEVABLY LOST

There is some hope of building up the home market to the level of 1929, but so far as our export trade is concerned we must face the fact that a large part of it is irretrievably lost. This is especially true with respect to cotton, since many countries are now producing this commodity which formerly purchased large quantities from us. As a result we not only have lost many customers but have gained new competitors in supplying the demand of the remaining countries.

While the South may point to the fact that Japan is still a large purchaser of our cotton, that same cotton is being returned to this country in the form of manufactured cloth, thereby displacing an equivalent quantity of domestic cloth which would have been made from American cotton. As between selling their cotton to Japan and selling it at home, it ought to be obvious to the producers of cotton that the wisest policy would be to keep American dollars working at home.

#### NO REASON TO DISTURB PRESENT TARIFF LEVEL

Personally, I can see no good reason to disturb the present general level of the tariff rates. If in any particular instances the rates are too high, they can be reduced in accordance with the formula laid down by Congress in the Tariff Act of 1930, commonly known as the "flexible-tariff provision." The fact that so few changes have been made under this authority is evidence that the general level of the rates is satisfactory.

#### FOREIGN TRADE ON INCREASE WITHOUT RECIPROCITY

To those who say that the negotiation of reciprocal-trade agreements is the only method by which we can regain our foreign trade, I would point out that in 1934 our exports exceeded the exports for 1933 by 27 percent. Is not this evidence that the tariff-bargaining program is unnecessary? Our export trade grew to \$5,000,000,000 annually under the

Republican tariff law of 1922, and it can do the same again under the Republican law of 1930.

#### CONSTANT TARIFF MEDDLING CREATES UNCERTAINTY

Mr. Chairman, because I have frequently given voice to my opposition to the administration's reciprocal-tariff policy, the gentleman from North Carolina [Mr. DOUGHTON] states that I am carrying on a campaign of fear, and adds:

He does not seem to be interested in letting business settle down; he does not want business confidence as long as his party is not in power.

If telling the truth constitutes a campaign of fear, then I plead guilty to the charge. However, the gentleman is entirely wrong in stating that I am not interested in letting business settle down. That is precisely what I am interested in. That is why I am carrying on this fight.

If there is business uncertainty and lack of confidence at the present time, the blame lies entirely upon the shoulders of the Democratic Party and the present administration. The extravagant spending program, the failure to balance the Budget, the uncertain monetary policy, the hamstringing of business under the N. R. A., the regimentation of agriculture—all these policies and lack of policies have contributed to the present chaotic condition of the country. The reciprocal tariff has only aggravated this condition.

Like the sword of Damocles, the threat of destruction by a flood of foreign importations hangs over the head of every domestic industry, whether agricultural or manufacturing, which is dependent upon tariff protection. Every time a new trade agreement is considered, this uncertainty is again aroused. American industries are getting the jitters. They do not know which one will be the next to be marked for slaughter.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Chairman, I yield the gentleman 10 additional minutes.

#### FEARS OF INDUSTRIES FULLY JUSTIFIED

Mr. TREADWAY. Those in charge of the trade agreements may say that their fears are not justified, but let us see whether they are or not. In the President's message to Congress requesting the enactment of the reciprocal-tariff law, he said:

No sound and important American interest will be injuriously disturbed.

That statement makes fine reading, but, like many of the glittering promises he made during the campaign, we find that just the contrary has happened. Consider, if you will, the unjust treatment which has been accorded the domestic sugar, tobacco, cement, manganese, and other important industries under the recent trade agreements with Cuba, Brazil, and Belgium.

Right now trade agreements are under negotiation with some 13 countries, including Sweden, Spain, Switzerland, the Netherlands, Italy, and Canada. In view of the way the administration has treated the other industries I have just mentioned, it is no wonder that the farmers of this country shudder when they consider the possible consequences of the proposed trade agreements with Canada and the Netherlands. It is no wonder that some of our manufacturing industries are apprehensive that they may be put out of business by the proposed agreements with Switzerland and Italy.

#### REPEAL OF RECIPROCAL TARIFF LAW WOULD HELP RESTORE CONFIDENCE

Mr. Chairman, I have introduced a bill which, if enacted, would do as much toward restoring confidence in this country as any other single measure. I refer to H. R. 3422, which is entitled "A bill to terminate the authority of the President to enter into reciprocal-trade agreements."

I introduced this bill on January 9, and I note that on March 4 the gentleman from Nevada [Mr. SCRUGHAM] dared to oppose his own administration by introducing a similar bill. I commend the gentleman for his good sense. Doubtless there are many others on his side of the House who feel as he does about this measure. However, we must face the fact that even if repeal legislation could be passed in Congress it would face a certain veto at the hands of the President. Thus, unless a sufficient number of Democrats

are willing to concede their mistake and change their vote, it will be necessary to wait until a Republican President is elected in 1936 to wipe this iniquitous legislation from the statute books.

PROTECTION NEEDED MORE THAN EVER

If there ever was a time in the history of our country when protection for our home producers was needed, it is now. Nothing should be done to reduce rates below the difference in cost of production of competitive foreign products.

The present Japanese competition in cotton textiles, egg products, electric-light bulbs, matches, and so forth, should be enough to convince even the most uncompromising free trader that the present policy of the administration in breaking down the tariff is detrimental to the American people. Our dairy farmers would like to see something done about stopping the tremendous increase in importations of foreign butter, but there is no chance for any action along this line with the administration committed to a policy which may result in reducing the present butter tariff.

I think, however, it is quite clear that if the American farmer, the American workman, and the American manufacturer expect to get any relief from foreign competition, it will be necessary to elect a Republican President and a Republican Congress.

The home market is their birthright, and I feel sure that at the proper time the electorate of this country is going to repudiate the policy of the present Democratic administration of writing tariff rates for the benefit of foreign nations rather than our own citizens. The American people have already had their fill of these star-chamber proceedings, where representatives of foreign governments sit in secret sessions with a group of free traders in the State Department to decide the tariff policy of this country, while their elected Representatives in Congress are forced to sit idly by, unable to do anything about it. [Applause.]

[Here the gavel fell.]

Mr. CARY. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I listened today with great interest to the remarks of my distinguished friend, the gentleman from North Carolina [Mr. WARREN]. There was merit in some of the things that he said, but, in general, I do not think his speech covered the situation insofar as the textile conditions exist today.

In the first place, the gentleman from North Carolina, in referring to the Republican administration did not give the reason but said that these mills in New England moved South during a Republican administration, which is true, but the main reason that these mills did go South, as I brought out once before here today, was because at that time you could work 60 or 70 hours a week in the textile mills of the South, and the wage was as low as \$6 or \$7 a week. These employers in the textile industry went South to get away from decent living conditions and from decent wages for labor in the New England States. The manufacturers who stayed in New England are the ones for whom we are fighting today. They are the ones who believe in a decent wage for labor. They are the ones who do not believe in working little children in their mills as was done in the South at that time, before the N. R. A. They are the ones who believed at that time in a 48-hour law, such as we had in Massachusetts. They are the ones who believed, in other words, in a break for labor and in decent living conditions and decent wages in industry.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. Is the gentleman of the opinion that the N. R. A. has helped to rehabilitate the textile industry of the North?

Mr. CONNERY. Oh, yes. I will say to my friend that he knows my opinion of the N. R. A. I have always said that the N. R. A. gave the textile industry of New England the first break it ever got from the hands of the Government. We had a 48-hour law, while the South worked 60 or 70 hours a week, and when you put the South on a 40-hour

law and put Massachusetts and New England on a 40-hour law in the textile industry, even with a wage differential in favor of the South, you gave them the first break they ever got in decent, fair competition.

Mr. BOILEAU. I agree with the gentleman that the N. R. A. has helped out the industrial sections, and does not the gentleman believe that, in order to keep agriculture on a parity with industry, it is necessary to carry out an agricultural policy, with the processing tax, and so forth, to offset the harm done to agriculture and to give agriculture a chance to live also?

Mr. CONNERY. I am going to touch on that in just a moment.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. MARTIN of Massachusetts. When the costs of industry were increased through the N. R. A., was not that one reason why it was essential to have more tariff protection in order that we might have a chance to sell our goods?

Mr. CONNERY. Of course, I have always believed in that and have a bill now before the Ways and Means Committee which I think would take care of this whole situation; in fact, I wrote that into the 30-hour-week law 3 years ago. I saw this whole thing coming at that time, and the labor men came to me and said, "If you put the country on a 40-hour week, while Japan and Germany and Czechoslovakia and England are working 50 or 60 hours a week at low wages, how can our manufacturers in the United States survive?" I wrote this provision in the bill, and I have it in the bill now before the Ways and Means Committee:

Wherever the landed costs of any article or commodity—not just the textile, but any article or commodity, including agricultural products—coming into the United States are less than the cost of production of a similar article or commodity in the United States, such article or commodity shall be barred from the country.

This will take care of your Japanese situation and everything else.

Mr. MARTIN of Massachusetts. If the gentleman will permit, I asked the question because I appreciate the splendid work the gentleman has done in the past in protecting industry, and I knew what his past opinion had been upon the question, and I wanted to know if he is still of the same opinion, namely, in view of our increased costs and in view of the keen competition that exists today, does he not think it is absolutely necessary that we have a greater amount of protection than we now enjoy?

Mr. CONNERY. Yes; I know it, because my people are walking the streets today in Lawrence, Lynn, and Peabody. They are men who have been engaged in the leather, shoe, and textile industries.

In reference to the statement of my friend from Wisconsin [Mr. BOILEAU] I want to touch on that point. I know I do not have to convince him, because he knows that the first meeting ever held by the Committee on Labor where the farmers and labor joined together was held while I have been Chairman of the Committee on Labor. I do not want the farmers to be broke, because if a farmer is broke, he cannot buy the textile, he cannot buy the shoes, he cannot buy the leather, he cannot buy the electrical products and the thousands of things that are made in our industrial New England. I want him to get a decent break for his farm products, but what I would like to call to the attention of the men who represent the farm sections in this body is that the State Department is saying to the Members of Congress and saying to the country, "If you cut down on your demand that we buy only American products, and go into reciprocal-trade treaties, we will fix it a little later so that we can bring in your Argentine wheat and bring in your other products from South America and along the Atlantic seaboard, and we will sell them to you far cheaper than you can buy them from the American farmer."

I want your farmers to know about this and to look into the proposition.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. I want to commend my friend from Massachusetts on his broad viewpoint. I believe he is as anxious to protect the farmers as I am, but I may say to the gentleman that I do not believe we should try to help out industry by taking from agriculture what small benefits they have been able to get during the past few years. We should help industry in the way suggested by the gentleman through a higher tariff, and I am willing to go along with the gentleman on that.

Mr. CONNERY. I voted for the A. A. A., I signed the petition for the consideration of the Lemke bill, and I voted for that proposition and would be pleased to do so again.

Mr. BOILEAU. I know the gentleman has always been very fair in respect of all these matters.

Mr. CONNERY. I do not believe you can have prosperity in the United States unless there is prosperity for the farmer and prosperity for the industrial worker, and I do not say that the processing tax is the sole reason or that it is the *bête noire* of the textile industry. That may not be it at all. I am informed by the evidence given to us by the textile men and by the labor unions and the workers in the textile mills that the processing tax is working greatly to our disadvantage in the mills, but I say that the President has appointed this Cabinet committee to look into this matter thoroughly. They are going to start hearings Thursday, and we are going to bring down our millmen and our laboring men and everyone else concerned from New England, and we expect the gentleman from North Carolina [Mr. BULWINKLE] and the men from the Southern States to bring up their men and put the whole story before this committee; and then, I say, if the processing tax is doing all this harm, get some other way to help the farmer rather than by a processing tax. If it is not the thing that is doing the harm, all right; but we feel that that is the danger.

We feel that the Japanese importations are a menace to our textile industry. It does not do the Wisconsin farmer any good if the man on Pine Hill next to me, working for the General Electric Co., cannot buy any of the farmer's products.

Mr. BOILEAU. Will the gentleman yield?

Mr. CONNERY. Yes.

Mr. BOILEAU. The gentleman should not use Wisconsin for an example, because we get no benefit from the Agricultural Adjustment Act.

Mr. CONNERY. It does no good to have a man who lives in Lawrence or Lynn to go broke. All I ask is for a committee appointed by the President to look into this matter impartially, not to look into it as a New England question but as a question for the United States of America.

When I vote on the floor I do not expect to vote especially for New England. I resented today the statement that a lot of New England manufacturers had come down here to boost or push up the price, trying to blackjack the administration.

There was a meeting downstairs in the luncheon room. They did not advocate price boosting. They predicated their demand on the fact that people are walking the streets of Lawrence and Lynn. I know what it is. I have seen it myself, and I do not like it. I do not like to see children go hungry.

Mr. BOILEAU. May I suggest that in the consideration of this proposition that the processing tax is an injury to the textile industry, we should consider also that the N. R. A. is doing an injury to agriculture.

[Here the gavel fell.]

Mr. McLEOD. Mr. Chairman, I yield 5 minutes more to the gentleman from Massachusetts.

Mr. CONNERY. I imagine you are not getting the whole picture. The gentleman speaks of the N. R. A.—no more child labor, no more "yellow dog" contracts, the right of labor to organize—and if it did nothing more than that it would be worth while.

I do not like the members of the N. R. A. in the textile industry, in the manufacture of automobiles, to write codes for labor. I said it is like a little lamb sitting down by a

wolf and the wolf writing the contract between the lambs and the wolves.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. In just a moment. My committee reported out a bill for equal labor representation on the Code Authorities. I am for the N. R. A. I would like to see these difficulties done away with. I would like to see the Wagner-Connery labor dispute bill and the 30-hour-a-week bill passed.

Mr. BOILEAU. If I had my way, I would be very glad to substitute the 30-hour-a-week bill for the N. R. A.

Mr. CONNERY. The N. R. A. came as a result of the Black-Connery 30-hour-a-week bill.

Mr. BOILEAU. I was for the N. R. A., and I believe I have the distinction of being the only N. R. A. general on the floor.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MARCANTONIO. On the question of writing the N. R. A., originally Congress wrote it, but since then Mr. Richberg has rewritten it.

Mr. CONNERY. That is true. That decision in reference to the automobile case in Detroit caused all of the strikes and troubles in reference to 7 (a), and you will never have industrial peace in the United States until you pass the Wagner-Connery bill on labor disputes.

Mr. TAYLOR of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. TAYLOR of South Carolina. Would the gentleman be kind enough to be more specific in his accusations of industries of the South and name those that worked their employees 70 hours a week prior to the installation of the N. R. A.

Mr. CONNERY. I could not tell the gentleman the names of the concerns. I mentioned them several times years ago—mills in the South that ran 60 and 70 hours, and that had child labor.

Mr. TAYLOR of South Carolina. Would the gentleman be more specific and name those that have enslaved child labor?

Mr. CONNERY. I could not give the gentleman the names.

Mr. TAYLOR of South Carolina. The gentleman ought to be more charitable.

Mr. CONNERY. If the gentleman wants the names I shall get them for him and take the floor in a few days and give him the names, the dates, and everything else.

Mr. TAYLOR of South Carolina. Will the gentleman be more specific and name those that forced their employees to live in inhuman and insanitary conditions?

Mr. CONNERY. I will give the gentleman all of that information later. I have had men come in to me who went through the mills in the South. This was 4 or 5 years ago. They said that what those workers got on their table, you would throw into your garbage can in New England. He said, "you would not have it on your table."

Mr. TAYLOR of South Carolina. Perhaps that was some eccentric investigator.

Mr. CONNERY. Oh, no; it was not. He had no bias in any way whatever, he said, "I was down through the mills of the South and saw these company homes they had them in, and it shocked me; I never dreamed such conditions existed."

Mr. TAYLOR of South Carolina. Permit me to tell the gentleman that I went to work in a cotton mill before I was 9 years old, and I worked there for 21 years, and my people now live at a cotton mill, and I do not give a tinker's damn who told the gentleman that, his information is incorrect.

Mr. CONNERY. I am sorry to disagree with the gentleman, but we have all of that. We have had investigations, and social workers, and everybody else going through the mills of the South. What wage did the gentleman get when he started?

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. McLEOD. Mr. Chairman, I yield the gentleman 3 minutes more.

Mr. CONNERY. What wages did the gentleman get when he went to work?

Mr. TAYLOR of South Carolina. I got from 5 cents a day when I started until around some twenty-odd dollars a week when I quit.

Mr. CONNERY. The gentleman got 5 cents a day when he started?

Mr. TAYLOR of South Carolina. I was learning, and they were charitable to give me that.

Mr. CONNERY. Why, nobody would ever pay so little as 5 cents a day to anyone in New England, a child or anybody else.

Mr. TAYLOR of South Carolina. But that was a different day.

Mr. CONNERY. I mean in those days.

Mr. TAYLOR of South Carolina. I started 36 years ago. The trouble about the labor situation is that New England is trying to dictate to the rest of the country what labor conditions shall prevail throughout the whole country.

Mr. CONNERY. That is right. New England says, "We want decent living wages, we won't have slavery; we want people to have a place to live in and a place to sleep in that is decent; we want them to have clean sheets and refrigerators, all of the comforts that every laboring man should have in the United States, and not be ground down." [Applause.]

Mr. TAYLOR of South Carolina. I have not seen anything out of New England that indicates that they have any more comforts among the laboring class there than they have in the South. We have those things. They have electric lights, in most instances, running water, and everything else that they can have.

Mr. CONNERY. But you have had them only since labor went down there and started to organize. Only since then have you had those things.

Mr. TAYLOR of South Carolina. They have had it for a quarter of a century.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. MARCANTONIO. If the gentleman from Massachusetts would refer the gentleman from South Carolina to the testimony of Mr. Gorman, president of the Textile Union, when he testified on the Connery equal-representation-for-labor bill before our Committee on Labor, he would be convinced.

Mr. CONNERY. Yes; the gentleman should look that over.

Mr. TAYLOR of South Carolina. I would not believe it after I had read it.

Mr. MARCANTONIO. The fact that the gentleman went to work when he was 9 years old and the fact that they would allow a child 9 years old to go to work indicates what the conditions are down there.

Mr. CONNERY. And they paid him only 5 cents a day.

Mr. MARCANTONIO. And paid him 5 cents a day! What more proof does the gentleman want?

Mr. BOILEAU. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. I was going to ask if they would permit a 9-year-old baby to go to work in New England?

Mr. CONNERY. They would not allow a 9-year-old baby to work in New England. They would not even let him into a shop to work.

Now, I want to say this is not a partisan proposition. It is to protect the workers, who, as I said, are entitled to a decent, living wage. I hope this whole textile situation will be cleared up in order to take care of those men and women and their families who are walking the streets. Thousands more will be walking the streets unless we take care of them. [Applause.]

I thank you.

[Here the gavel fell.]

Mr. McLEOD. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I was intensely interested in the discussion that has taken place this afternoon. Some

day, perhaps, I should like to comment on that situation myself. However, this afternoon I want to discuss another matter that has come to my attention recently.

On March 18, just passed, the junior Senator from Alabama, a member of the Committee on Agriculture, apparently nettled at the repeated arguments of the Republican leaders to the effect that the present administration was emasculating the civil-service laws, and speaking in defense of the administration's policy with regard to appointing people outside of the civil service, used in part the following language:

There has been a great deal of discussion recently relative to the extension of the classified civil service to include emergency works where appointments now may be made without regard to civil service rules and regulations. I am one of those who believe that our public service should represent the highest degree of ability to be found anywhere.

The Senator then gives a list of 1,094 persons with college degrees who have been appointed to positions in the A. A. A. within a salary range of from \$840 to \$2,600 per annum as justifying such appointments outside of the classified civil service.

As I understand the classified civil service, it has two objectives. First, to give to every citizen, without regard to politics, an equal opportunity to obtain such positions as the Government may have to give within that classified civil service. Second, to classify such applicants and place them in the department where they are best qualified and can render the best service.

In analyzing the list of persons given by the Senator and above referred to, I find that these appointments were undoubtedly made purely upon a political basis. For instance, Michigan, with a population of 4,842,325, received 13 appointments, while Missouri, with a population of 3,629,367, received 49 appointments. Missouri, with less than 75 percent of the population of Michigan, received nearly four times as many appointments. New York, with a population of 12,588,066, received 66 appointments while North Carolina, with one-fourth the population of New York, or 3,170,276, received 54 appointments. Pennsylvania, with a population of 9,631,350, received 50 appointments, while Arkansas, with a population of 1,854,482, or less than one-fifth the population of Pennsylvania, received 33 appointments. Oklahoma, with a population of 2,396,040, received 36 appointments, while Ohio, with a population of 6,646,697, or nearly three times that of Oklahoma, received only 34 appointments. The 15 Southern States, with a population of 37,073,654, received 449 appointments, while the 33 Northern States, including Michigan, Ohio, Pennsylvania, New York, with a population of 85,701,392, received 645 appointments.

In other words, the Northern States with 2½ times the population of these Southern States, received only 44 percent more of these appointments. It is rather interesting to note that while Arkansas, the home of Senator ROBINSON, with a population of 1,854,482, received 33 appointments, Louisiana, the home of HUEY LONG, with a population of 2,101,593, received only 9 appointments. These figures demonstrate two facts: First, that the people of America did not get an equal opportunity to obtain these positions without regard to politics. Second, that the South is in the saddle.

The second objective of the classified civil-service law above referred to is to place men in positions for which they are best fitted. In analyzing the various qualifications of the young men and women referred to in the list given by the junior Senator from Alabama, we must bear in mind that these are appointments made in the agricultural department of the Government, or the department which has charge of the farmers' interests. We find, for instance, that there are 888 out of the 1,094 people with bachelor of arts and bachelor of science degrees, while only 5 profess to know anything about milking a cow or dairying. There are 44 electrical, chemical, mechanical, and civil engineers, and 3 agricultural engineers. There were 24 bachelors and doctors of philosophy, 6 historians, 7 chemists, 10 biologists, 45 economists, 2 musicians, 2 architects, 5 premedical students, 2 specializing in languages, 3 in Foreign Service, 1 chiropractor, 1 preacher, 1 specializing in physical education,

121 lawyers, and only 70 who said they knew something about agriculture.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. ENGEL. I yield.

Mr. MARTIN of Massachusetts. And those are the men who administer the A. A. A.?

Mr. ENGEL. Those are the men that the Senator from Alabama pointed to with pride as having been outside the civil service, with some college degree after their name, and employed by the A. A. A.

There is one doctor of philosophy from the University of Cologne, Germany; another doctor of philosophy from a school with an unpronounceable name, spelled "Landwirtschaftliche Hochschule" of Germany. Imagine a bird with that sort of a connection trying to tell a Minnesota Swede how to milk a cow. I presume the 10 biologists will be placed in charge of the birth-control section of the hog department, while the 45 economists will try to tell the farmer how to spend more money that he has not got. I might add that Congress is very proficient in this art. I presume the two musicians will teach the farmer how to play "Liebestraum" so the cows will give more "contented" milk. Before we get through with all these embryonic brain trusters, we will need more than 1 chiropractor to adjust our heads as well as our backbones, and when these 121 lawyers get through with the farmers, 1 preacher will not begin to do the praying that will be necessary.

We are just beginning to appreciate what Al Smith meant when he said that the brain trusters are mistaking us for 126,000,000 guinea pigs.

I just received a copy of an edition of the National Union Farmer in which it is stated that 500,000 hog farmers had refused to sign the hog contracts despite the threats and coercion of the Secretary of Agriculture. I have listened with a great deal of sympathy to the Members from the Southern States as they told us of the plight and pitiful condition of the 2- and 3-bale cotton farmer.

I have had considerable experience in my part of the State with some of these so-called "college graduates." While I would not say one word against a man with a college education, or a college degree, I do want to say that I think a great many of them are running around the country for the Agriculture Department who would do a great deal more good if they knew more about "hogology" and "pine-stumpology" than the sciences and the arts.

While in France, during the war, we had a man in the chaplain service. He made out a grave-registration certificate for a soldier who had been killed in action. On that grave-registration certificate was a place for marks of identification. He inserted the words: "The only marks of identification found on the body were the initials 'B. V. D.' on the underwear." And that man was a college graduate.

Some time ago I had a man come from one of the universities to the north country. There was a big yoke of oxen standing nearby. He walked around one of those big oxen and examined him carefully, and finally he turned to me and said: "Is that a female ox?" [Laughter.] And that fellow was a college graduate.

You have all heard the story about Mr. Hopkins. Several members of the Ways and Means Committee can vouch for the story. He appeared before the Committee on Appropriations, arguing in favor of subsistence homesteads. He said, "Why, we are going to give every man a home, 7 acres of land; we are going to give him chickens; we are going to give him this and give him that", and, finally, he said, "to everyone we will give a mule in foal." [Laughter.]

Can you imagine a Democrat making a mistake like that about a mule? [Laughter.]

Mr. MARTIN of Massachusetts. Did he make good on that promise?

Mr. ENGEL. I do not know; but I think a Democrat who does not know his mules and a Republican who does not know his elephants is neither a Democrat nor a Republican. He is a mugwump.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. ENGEL] has expired.

Mr. McLEOD. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. ENGEL. A mugwump is one of these boys who always has his mug on one side of the political fence and his wump on the other.

I went up North some time ago, talked to the farmers, and learned how this hog-processing tax works. It is a different story from what these "brain trusters" tell you. Among others I talked to was a young sheriff, whose name was Merle Burket. About a year ago last April a man named Kemper came to Burket and told him he had sold him a hog 2 years ago last January. Burket said, "Yes; I bought a hog from you, but I don't remember when."

Kemper said, "Look up your check book; you paid me by check."

So Burket looked up his check book and found that on January 14, 1932, he bought a hog from this man Kemper. He sat down at his desk and asked, "Do you want the color?"

"No."

"The weight?"

"No."

"Do you want the price?"

"No; all I want is a statement that I sold you the hog."

So Burket wrote out a statement:

"On January 14, 1932, I bought one hog from John Kemper", and signed his name "Merle Burket, dated April 15, 1934." He asked, "What do you want this for?"

"Why," Kemper said, "the Government said you did not pay me enough for that hog."

Burket said, "Why, I paid you what you asked."

"I know you did, but you did not give me enough."

Burket said, "But I ate the hog 2 years ago last January."

Kemper said, "It does not make any difference, you did not pay me enough."

Burket, "I am not going to pay any more for your hog."

Kemper said, "Oh, I am not asking you to pay me any more for the hog; but the Government is going to give me \$5 for that hog which you bought at my price, and which you ate 2 years ago last January; and I would be a fool if I did not take the \$5."

In another little town in northern Michigan a friend of mine had an old stag. He killed him, took him to town, and sold him, getting \$1.75 a hundred. He thought he made a good bargain until the Government agent came along and told him he owed \$2.25 per hundred for the hog processing tax. It cost him 50 cents a hundred to give his hog away.

I learned of another case—that of a widow who sold two hogs for the purpose of paying the interest on her mortgage. She got \$18.50 for her hogs. Then a Government inspector came along and told her to pay a fine and processing tax of \$8.50. This policy finally became so unpopular that the Government inaugurated an exemption of 300 pounds on pork before the processing tax was made to become effective. These are some of the situations that exist in my part of the country.

When they asked the farmer to vote on the hog program, they handed him a check for \$150 for 30 hogs or \$300 for 60 hogs that he did not raise; and, of course, Mr. Farmer stuck the check in his pocket. Then they said to him, "Now we want you to vote on whether or not you want the Government to pay you another \$300 for not raising another 60 hogs"; and, of course, the farmer voted "Yes."

In the meantime the folks down in the cities, the people around here whom the administration wants to pay an average wage of \$50 a month, are compelled to pay 50 cents a pound for their pork chops. That is the existing situation.

Mr. Chairman, somehow or other there is something tragic about the destruction of food to me. For 300 years following the time the Pilgrim Fathers landed upon Plymouth Rock, once each year we have raised our hearts in gratitude to the Almighty God, thanking him for a bountiful

harvest. In the last 2 years, however, the Democratic Party and the administration have prayed to the Almighty God that He should not give us quite so much, and apparently He has answered our prayer. It seems wrong to destroy food, when men are standing in the soup line hungry and craving for the very things we are destroying.

From everything I have heard since being in this body, it appears that the administration policy is making the rich man richer and the poor man poorer. The large cotton grower defends the cotton program, but the small grower is fighting against this tax, which is forcing him on welfare relief. The same thing is true of the hog raiser.

[Here the gavel fell.]

Mr. CARY. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I am greatly encouraged by convincing evidence that is coming to my attention from all quarters of the country indicating Nation-wide approval of the resolution I have introduced to minimize the possibility of war.

In a letter just received the Most Reverend Michael J. Curley, Archbishop of Baltimore, places the weight of his great influence back of my proposal to amend the Constitution so as to provide—except in the case of invasion—for a referendum on war and for taking over of war properties for use of the Government in the event of hostilities in order to remove the profit incentive to war.

The noted clergyman regards my resolution as an effective measure to keep America out of war, and it has his whole-hearted endorsement. In his letter he says:

I have read your resolution, and I wish to say to you very frankly that it has my fullest approval. Any measure that will keep us out of war and from a repetition of the horrible tragedy of 1914-18 ought to be welcome to the people of the United States.

It is my humble opinion that the people of this country do not want war, and I doubt if the people of any nation in the world want war. After all, wars are not made by the people, and certainly were not made by the millions of the sons of sorrowing mothers who went down to their graves in the fratricidal strife of those 4 horrible years never to be forgotten.

Nations have been lashed unwillingly into war by high-powered propaganda carried on under the supervision of the swivel-chair gentlemen who keep far away from the danger point in all wars, and at the same time the people have been made the victims of the wretched individuals who have made countless millions of dollars out of, so to speak, the dead flesh of the youth of the world.

Consequently your idea of placing the whole matter before the people for a referendum vote is excellent. The time should be gone forever when a few men can come together and throw nations at each other's throats.

The second section of your bill whereby in case of an unavoidable war the Government should take over public and private war properties is also good. This is something, by the way, that has already been planned by European governments in case of war.

I believe that in this letter the famous divine and leader among men has correctly interpreted the heart and soul of America. I believe, as he does, that the people of this country do not want war and I doubt, as he does, that the people of any nation in the world want war. Wars, as he so aptly says, as a rule are not made by the people who have to do the suffering and the dying. Most wars are caused by ambition and greed and hate and selfishness and are initiated by plots and machinations that are in the highest degree antisocial and antipathetic to every principle of humanity. It is to protect our children and our children's children and the America of posterity from such unholy wars that my amendment is directed, and it is indeed gratifying to me that such an eminent leader as the archbishop believes that it is a sensible measure that should be adopted in the interest of humanity. With all my heart I agree with him that "the time should be gone forever when a few men can come together and throw nations at each other's throats."

The text of my proposed amendment to the Constitution, referred to by Archbishop Curley, is as follows:

SECTION 1. Except in the event of an invasion of the United States or its territorial possessions and attack upon its citizens residing therein, the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nation-wide referendum. Congress may by law provide for the enforcement of this section.

SEC. 2. Whenever war is declared, the President shall immediately conscript and take over, for use by the Government, all the public and private war properties, yards, factories, and supplies, fixing the compensation for private properties temporarily employed for the war period at a rate not in excess of 4 percent, based on tax values assessed in the year preceding the war.

Many other outstanding leaders of advanced thought have sent letters to me approving the resolution and stating that in their opinion the time has come in the interest of the future peace and security of America to write a war referendum amendment into the Federal Constitution. Many express apprehension that the unsettled condition of the world, the growing war fever, and the saber rattling in Europe may maneuver America into war unless something is done along the line of my resolution to leave the matter of waging war to the sober judgment of the people themselves. Forty-five presidents of universities and colleges have thrown their support to the resolution, speaking for the youth of America.

Eminent Jewish leaders, including such outstanding men as Rabbi Stephen S. Wise, of New York, and Rabbi Morris M. Feuerlicht, of Indianapolis, have declared their support of the resolution, and the Jewish Political Club of Greater New York has asked the author of the resolution to come to New York to speak on the subject at a mass meeting in one of the largest auditoriums on the East Side.

Rabbi Wise, the great leader of the Jewish people, writes: "I am delighted to have your letter, in which you tell me of your proposed amendment to the Constitution calling for a referendum on war and the conscription of war properties. I believe there should be a referendum on war when war threatens or when the profiteers threaten to bring war, and I have long believed that we have no right to conscript men and not to conscript properties. I am with you on both things."

Rotary Clubs in many cities are showing interest in the resolution and Walter D. Head of New Jersey, vice president of Rotary International, writes:

I have read your resolution through and I want to give it my hearty approval. I suppose it will be very hard to get a resolution of this kind through Congress at present because of the number of interests which will almost inevitably oppose it; however, by working together and refusing to become down-hearted we shall gradually be able to make progress. Any help I can give, you may be sure will be most cheerfully provided.

Dr. Homer P. Rainey, president of Bucknell University, and an eminent leader of the Baptist Church, writes:

Personally I am enthusiastic about such an amendment and would like to see it incorporated into our Constitution. I believe it would do more than any other one thing to eliminate the possibility of war. I assure you it will be a pleasure for me to use my influence in its behalf. Some of us have been talking about these things for a long time, and I am very glad that you have introduced it into Congress.

Dr. G. Bromley Oxnam, president of DePauw University, and an outstanding Methodist, is coming to Washington to testify in support of the Ludlow resolution before the Judiciary Committee, and Dr. Joseph R. Sizoo, pastor of the New York Avenue Presbyterian Church, of Washington, will be another witness. "I shall do what I can in support of that vitally important movement," writes Dr. W. L. Bryan, president of Indiana University. Dr. Arthur E. Morgan, president of Antioch College, and head of the Tennessee Valley Authority, writes:

I am greatly interested in section 1 of the constitutional amendment you have introduced. In spite of all that can be said against it, I believe it is sound. It may be that the public cannot know the circumstances under which nations enter war, but I believe the reaction of the public would be a better guide than the forces which may suddenly act upon Congress in time of crisis.

Rt. Rev. Joseph E. Ritter, bishop of Indianapolis, and Rt. Rev. E. B. Ledvina, bishop of Corpus Christi, Tex., are among the bishops who have strongly endorsed the so-called "Ludlow amendment." Bishop Ritter writes:

The amendment would be a very effective means of preventing future wars and, at the same time, truly democratic in spirit. If it had been in force at the time of the World War we would never have entered. I am glad to tell you, therefore, that I heartily approve and endorse the amendment and shall do all that I can to create sentiment in its favor.

Declaring that the resolution is "splendid, practical, and humane", Bishop Ledvina writes:

Every thoughtful and peace-loving citizen of this country will undoubtedly hail with a unanimous acclaim your submitted

resolution. I, as well as every member of the hierarchy will surely welcome your resolution and will encourage a general support of it in every way possible. I, for one, will leave no opportunity pass by without voicing my sentiments on the subject, both orally and in writing. I hope the congestion of business before the House and Senate will not shut out a due consideration and favorable action on your resolution.

Writing to my beloved friend, Representative FRITZ G. LANHAM, of Texas, President L. R. Scarborough of the Southwestern Baptist Theological Seminary says:

This morning in the chapel of the Southwestern Baptist Theological Seminary, there being present a large representation of our faculty and student body, I presented the matter of a resolution, Joint Resolution No. 167, submitted to Congress by Representative Louis Lublow, of Indiana, calling for congressional action on the submission of a constitutional amendment demanding a referendum when war is threatened, and the section taking the profits out of war.

The resolution was immediately and enthusiastically passed asking me to petition our Senators and Representatives to support this joint resolution. It is our belief that this constitutional amendment should be submitted to the people, and we, as admirers of and cooperants with you, would like for you to know of our wishes on this matter, and we hope that you will give careful consideration to this matter and give it your support if it is consistent with your conception of the wisdom of such a plan.

Gen. Smedley D. Butler offers his support in the following letter:

Please allow me to congratulate you on your resolution and to express the hope that you get somewhere with it. I shall be delighted to come to Washington and do all in my power to help you, as I am in thorough accord with the resolution.

General Butler has agreed to come from Pennsylvania to Washington to assist in presenting the resolution at a hearing before the Judiciary Committee.

Strong labor support is lining up back of the resolution. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, writes from Cleveland, as follows:

I want to assure you that I am in thorough accord with the objects of your resolution. I agree with your statement that Americans should always be willing to come to the defense of their country, and you have well protected this principle by calling for a referendum vote of the people, except in the event of an invasion of the United States or its territorial possessions. I have long been of the opinion that if we could trade all of our peace treaties and peace conferences for just one short treaty whereby all nations would agree not to go to war except upon a majority vote of their people, perpetual peace would be obtained. The United States should show its leadership in this regard. The most devout pacifist and the most proud militarist should favor your resolution if they sincerely believe in the abolition of war as an instrument of national policy.

I am receiving an enormous mail, indicating the wide-spread national interest that has been kindled by my resolution. Petitions being voluntarily circulated in various sections urging adoption of the resolution are signed by many thousands of names; in one city the signers being several thousand school children. Group strength is shown by the adoption of favorable resolutions and memorials by National, State, and local organizations, urging the passage of the proposed amendment. The fear that world conditions are likely to bring about war, undoubtedly is responsible for a considerable part of the stimulus that is being given to the proposal.

I believe that if we can secure the adoption of the amendment to the Constitution, which I have proposed, we will perform a major service to humanity. I believe the adoption of that amendment would be hailed as a rainbow of hope by all the human race. I believe it would protect us from the threat of war which now hangs over the Nation like a pall. I believe it is as good a plan as human ingenuity could devise to save America from unholy and unjustifiable wars in all the years to come. I am for this plan because I believe it would usher in a long era of peace, when we of America may devote ourselves to a thorough job of attending to our own business, cultivating friendly relations with all the nations of the world, and interfering with none; showing, once more, some regard for the spiritual values, ordering our future course along lines of usefulness, rather than destruction, and rehabilitating our happiness and prosperity while we strive to forget the sorrows and bind up the wounds of the last war.

Mr. CAREY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7672) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1936, and for other purposes, had come to no resolution thereon.

#### WATER MAIN AT PEARL HARBOR, HAWAII

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1209) to authorize the Secretary of the Navy to relinquish an easement for a water main at Pearl Harbor, Hawaii.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, and I do not desire to object, it seems to me these bills ought to be brought up on Consent Calendar day unless there is some particular reason for bringing them up at this time.

Mr. VINSON of Georgia. There is urgent necessity for the passage of all the bills that will be called up this afternoon. It is imperative that they be enacted just as soon as possible. The gentleman from Pennsylvania [Mr. DARROW], the ranking minority member, as well as the other minority members and the majority members, have consented that the bill come up for consideration now.

Mr. BOILEAU. Is there necessity for enacting this bill immediately?

Mr. VINSON of Georgia. As early as possible. The same situation applies to all of these Senate bills.

Mr. BOILEAU. Is it necessary that this be done now rather than to have them take their turn on the Consent Calendar?

Mr. DARROW. We think it is very essential that this bill be passed at this time.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Navy is hereby authorized to relinquish to the trustees under the will and of the estate of Bernice F. Bishop, deceased, all right, title, and interest of the United States in a perpetual easement granted the United States on August 17, 1921, for a right-of-way across portions of Waiialae-nui and Waiialae-iki, Pearl Harbor, Hawaii, for a 4-inch cast-iron water main for naval purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### BRIDGE ACROSS ARCHERS CREEK, S. C.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1610) authorizing the Secretary of the Navy to accept on behalf of the United States a certain strip of land from the State of South Carolina, and consider the same.

The Clerk read the title of the bill.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, it does not seem to me that this bill is so important that it cannot wait for a month or so and take its course on the Consent Calendar with the other bills. If we are going to have a Consent Calendar it seems to me every Member should be treated alike. I have bills on that calendar that I would like to have taken up this afternoon, but I am not going to make the request.

Mr. VINSON of Georgia. Mr. Speaker, I may state to the gentleman from Wisconsin that these are not my bills, but department bills with reference to clearing up the title to certain land in connection with some roads in South Carolina.

Mr. BOILEAU. I appreciate that fact and there is nothing personal in the matter. It is just a question of whether or not it is necessary to bring the bills up in this way when we have a Consent Calendar, and whether or not bills from this committee should not be in the same status as bills from all other committees.

Mr. VINSON of Georgia. I may state to the gentleman that in order to expedite the consideration of public business and of a bill that we considered more important, the Navy appropriation bill, we gave up our right to the call on Calendar Wednesday, when probably all these bills would have been reached, and we are simply asking now that these bills that have been recommended by the Department and passed by the Senate may have the consideration of the House by unanimous consent.

Mr. BOILEAU. It seems to me that if we are going to follow this practice we should have a special day for the consideration of bills from the departments so that all committees that have such bills might have the same consideration and then we could dispense with the calendar day. I have never objected to the consideration of such a bill and I shall not object in this instance, but it seems to me this is a very bad practice.

Mr. VINSON of Georgia. If the gentleman will let this bill go through and another small measure, we will not impose upon the House further.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 1 of the act entitled "An act authorizing the Secretary of the Navy to accept on behalf of the United States title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina", approved February 14, 1927, is amended to read as follows: "That the Secretary of the Navy is hereby authorized to accept on behalf of the United States, free from encumbrances and without cost to the United States, for military purposes, the title to the following-described parcel of land, to be used for a road from Jericho Point to the Marine Corps Reservation on Parris Island, S. C.: Starting at a point on the north bank of Archers Creek, north 64 degrees, 29 minutes west, 6,563 feet from monument no. 31 at the marine barracks, Parris Island, S. C., thence north, 13 degrees, 40 minutes west, 4,605 feet to a point at the mean high-water line near Jericho Point; thence north, 87 degrees, 39 minutes east, 204 feet to a point also at the mean high-water line near Jericho Point; thence south, 13 degrees and 40 minutes east, 4,565 feet to a point on the north bank of Archers Creek; thence south 76 degrees and 20 minutes west, 200 feet to the point of beginning: *Provided, however,* That the acceptance of such tract of land by the Secretary is made upon the express condition and limitation that such tract shall be used only for military purposes, and when it shall cease to be actually used for military purposes the title and right of possession shall immediately revert to the State of South Carolina without notice, demand, or action brought."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### UNITED STATES NAVAL AND MARINE CORPS RESERVE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4764) for the relief of the officers and men of the United States Naval and Marine Corps Reserves who performed flights in naval aircraft in connection with the search for victims and wreckage of the U. S. dirigible *Akron*, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

Mr. TRUAX. Mr. Speaker, reserving the right to object, and I do not think I shall object to this bill, but I agree with the gentleman from Wisconsin [Mr. BOILEAU] in his contention that this establishes a bad precedent. There are good bills on the Consent Calendar and there are some bills that are not so good and some bills that I want to object to. If this precedent is established of coming in here every day and passing bills by unanimous consent that ought to be considered on Consent Calendar day, I think it will be establishing a very bad precedent, but I shall not object to the consideration of this bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia that the bill be considered in the House as in Committee of the Whole?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That those officers and men of the United States Naval Reserve and the United States Marine Corps Reserve who, while on authorized active or training duty without pay, between the dates of April 4, 1933, and April 7, 1933, both dates inclusive, performed flights in naval aircraft in connection with the search for victims and wreckage of the United States dirigible *Akron*, shall be considered as on active duty with pay and shall be entitled to the pay and allowance prescribed by law therefor during the time of performance of such duty.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### THE COTTON INDUSTRY

Mr. KELLER. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a resolution which I have offered and which I hope to call up tomorrow by unanimous consent.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The joint resolution is as follows:

Joint resolution to provide for certain State allotments under the Cotton Control Act

*Resolved, etc.,* That section 5 (a) of the act entitled "An act to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, to provide funds for paying additional benefits under the Agricultural Adjustment Act, and for other purposes", approved April 21, 1934, as amended, is amended by inserting before the period at the end of the first sentence thereof a colon and the following: "*Provided further,* That no State shall receive an allotment for any crop year beginning with the crop year 1935-36 of less than 4,000 bales of cotton if during any one of the 10 crop years prior to the date of the enactment of this act the production of such State exceeded 5,000 bales."

Mr. ROGERS of New Hampshire. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ROGERS of New Hampshire. Mr. Speaker, in view of the present deplorable condition in the textile industry of New England, I desire to call attention to a message which I have just received from the Board of Mayor and Aldermen of the City of Manchester, advising that that board has unanimously endorsed the resolution which I shall now read, as it will only take a moment.

*Resolved by the Board of Mayor and Aldermen of the City of Manchester, as follows:*

Whereas the increased cost of manufactured products due to the cotton processing tax falls most heavily upon the laboring people, who can least afford to pay it, and the importation of Japanese textiles seriously affects the industry in which thousands of our residents are employed; and

Whereas the wage differential in favor of the southern textile mills is causing many of our northern textile mills to curtail production or liquidate, and even now has resulted in the demolition of several mills of the Amoskeag Manufacturing Co., throwing many out of employment: *Be it*

*Resolved,* That the board of mayor and aldermen, in regular meeting, urges the President of the United States and the Congress of the United States to adopt remedial measures to save the textile industry for Manchester and the State of New Hampshire; and be it further

*Resolved,* That copies of this resolution be transmitted to the President of the United States and to the New Hampshire Senators and Representatives in Congress.

In conclusion, I may say that in this city alone there are from 10,000 to 15,000 men and women who have been engaged in the textile industry of New England.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent that the bill H. R. 1023, referred to the Committee on Military Affairs, be rereferred to the Committee on the District of Columbia because it involves purely District of Columbia money.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

DO NOT ENLARGE WEST POINT—GIVE RESERVE OFFICERS AND NATIONAL GUARD OFFICERS A CHANCE—HEED THE COUNSEL OF OUR LEADING EDUCATORS—AMERICAN ARMY SHOULD CONTINUE DEMOCRATIC

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the desirability and feasibility of appointing National Guard officers to the Regular Army and incorporating therein some letters I have received from the presidents of numerous colleges where there are Reserve Officers' Training Corps units.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, as I indicated in some remarks made on the floor of the House when the Army appropriation bill was under consideration, I am opposed to enlarging the Military Academy at West Point, and opposed to H. R. 6088 which proposes to provide for one additional cadet at the said Military Academy for each Member of Congress, thus increasing the authorized strength of the Military Academy from 1,374, its present strength, to 1,959.

This is approximately a 50-percent increase. A similar proposal has passed the Senate.

Now, before we take this important step toward "militarism" in our Army, before tending further to set up a "military caste system" in our Army, before closing the doors in the faces of thousands of young men who cannot get from their Congressmen an appointment to West Point, let us do some thinking for ourselves.

Now, Mr. Speaker, at the very outset let me make one fact perfectly plain. I am not opposed to the Military Academy, but, on the contrary, think it is a good school. But I also insist that there are other good schools in the country. I contend that to have more than 50 percent of West Point graduates in the Army will prove detrimental to the Army in many respects. I agree with the criticism made by Dr. Charles W. Eliot president of Harvard University about 25 years ago, as I recall. As I remember his constructive and friendly criticism was to the effect that since nearly all the teachers at the academy are Army officers and nearly all graduates of the academy itself, and since under the ideals of Army discipline there is little independence in the thinking and none in the speech of a subordinate Army officer, the effect would be to narrow and dwarf the vision of both the teaching force and the cadets. Furthermore, he argued, it would lead to what he described as "intellectual inbreeding." We all know that in the Army not only do orders as to conduct emanate from above, but doctrines, thinking, and permissible opinions originate at the top of the Army, which means the General Staff. To take young men at about 18 years and subject them to 4 years of rigid discipline, day and night, to rush them hither and thither in mass formations, to drive into their heads and hearts by teachers in uniform, who have the military power of command, doctrines, and dogmas, tends to dwarf individual thinking, to crush initiative, and create a body of yes men.

Mr. Speaker, my only concern is the eventual and ultimate good of the Army itself and, therefore, of the country. But the same is true also of the Academy. I believe that the student body of the Academy is as large as an institution of that kind can be to be really efficient. A retired general officer who graduated about 50 years ago told me that when he was a cadet, any cadet could know all the other cadets in all the classes. Now, however, a cadet does well to know all the members of his own class. Furthermore, the larger the number of cadets, the less the possibility for individual attention and the more machine-like and the less individualistic becomes the training and instruction. Mr. Speaker, in a letter signed by the Honorable Harry H. Woodring as Acting Secretary of War dated April 1, 1935, and addressed to me in response to a letter of mine dated March 13, 1935, said letter being doubtless prepared in the General Staff after nearly 3 weeks' study, we find this paragraph:

The appointment of officers from sources other than the Military Academy is most desirable. The Army welcomes these men. Some of the very finest officers we have come from such sources,

and there are other advantages that are even greater than the individual merit of such officers. It ties the Regular Army in with the type of men that have to fight the war, because the great bulk of such are going to be civilians that are mustered in for the emergency. It brings in new lines of thought. The War Department would not, if it had the authority, have all the officers of the Army graduates of the Military Academy.

That paragraph makes my argument in full except as to the sentence, "The Army welcomes these men." I believe that phrase betrays the thought that the graduates of the Military Academy regard themselves as "the Army." It betrays a certain habit of thought in using the words "these men" rather than the words "these officers." Every person that I am insisting shall be recruited into the officer personnel of the Regular Army will be already an officer, a Reserve officer, or a National Guard officer. I hope that "the Army" will welcome "these officers" of the Organized Reserves and of the National Guard.

But I take the broad ground that modern warfare, the swift progress of science, the changed tactics enforced by the mechanized and scientific forces and agencies of modern warfare, call for varied talents, for personal initiative, for individual leadership, even in the lowest-officer ranks.

Mr. Speaker, the next paragraph in said letter also expresses the situation correctly, and I now quote it.

Unfortunately, it has not been possible for some years to make appointments from sources other than the Military Academy for two definite reasons. First, the attrition rate among promotion-list officers has been so far below normal that no vacancies have existed after the graduates of the Military Academy have been commissioned. Second, the Congress has seen fit to limit by appropriation legislation the officer strength to 12,000. However, 30 line officers (Air Corps) who are not graduates of the Military Academy will be appointed this year.

In order to get a picture of the situation, I requested a detailed tabulation of officers appointed in the Regular Army for the 10 years beginning with the year 1925. During that time the number of graduates appointed from the Military Academy was 2,525. During the years 1927, 1928, 1929, and 1930, being the years immediately following the enactment of the Air Corps Act of July 2, 1926, which gave the Air Corps an authorized officer strength of 1,650 officers, there were appointed in the Air Corps a total of 614 Reserve officers.

But for the other 6 years of the 10-year period there were appointed all told only 292 Reserve officers, making an average of only 47 Reserve officers per year. This against an annual average of 252 graduates of the Military Academy. The letter referred to also shows that this year, 1935, there will be only 30 officers appointed to the Air Corps, in addition to the Military Academy graduates. If the number of cadets be increased by practically 50 percent, then after 4 years, unless the number of officers is increased to 14,000 to 15,000, then there will be no vacancies for other than cadets, and in a generation fully 80 percent of all officers will be graduates of West Point. That will be bad for the Army.

While it is true that due to the taking in to the Regular Army in 1920 of over 5,000 World War officers the graduates of the Military Academy are now only about 40 percent of the officer strength, and I am willing to let it increase to 50 percent, yet if the present rate of increases into the Regular Army continues, then when these World War officers die, resign, or retire or be discharged, then the officer strength of the Army, if the plans of the War Department are permitted to go through, will stand in the ratio of about 250 West Point graduates and about 50 Reserve officers. In other words, the ratio will be about 5 to 1. That means that the West Point graduates will be 80 percent of the Army and the Reserve officers from our various R. O. T. C. units and National Guard and other sources only about 20 percent. I hold that such condition will not be for the best of the Army nor the country and that is why I am opposing the proposed legislation and that is the only reason why.

The War Department admits that "the great bulk of the men that have to fight the war are going to be civilians", which means that 78 percent of the officers who lead men in battle will be Reserve officers. We need highly efficient

Reserves. The R. O. T. C. is the great feeder source for the Reserves. Whatever raises the standard of R. O. T. C. increases our defense forces.

Mr. Speaker, let us look at the matter from another angle. The training of 123,000 young men in the various R. O. T. C. units for the current year is only about \$3,000,000. It has been increased for the year ending June 30, 1936, to about \$3,400,000. From this 123,000 young men were graduated and numbered in the Reserve Corps over 6,000 officers. Nearly 1,000 other young men obtain commissions in the Reserve Corps from other sources. But the annual expense of teaching and training about 1,300 cadets at the Military Academy is approximately \$2,000,000, but that does not take into consideration the overhead investment and the ordinary pay of the officers detailed as teachers and instructors at the academy. If all these were taken into account, the expense of training 1,300 cadets would be approximately \$3,000,000 a year. That is an average of approximately \$2,300 per cadet per year. That means that the education of a cadet costs the Government for 4 years nearly \$10,000 cash. I have often heard much higher estimates.

If from the R. O. T. C. we graduate approximately 6,000 officers at a total annual cost of \$3,000,000, it means that each such graduate has cost us \$500 per year or a total of \$2,000 for 4 years' training as against \$10,000 for the West Point graduate. But that is not the whole story. In addition to the 6,000 who graduate, 117,000 other young men receive some military training. We must not discount the value of that training merely because all of the young men do not graduate and receive commissions in the Reserve Corps. Their training will prove valuable to them in after life and to the Nation in many ways. As an asset of national defense they will be available not only as emergency officers, but as noncommissioned officers in the event of war. Furthermore, doubtless many of them will go into the National Guard and, based on their training in R. O. T. C., will become very useful members of the National Guard, and may eventually become officers and ultimately officers of superior ability. In my humble judgment not over 25 percent of the total \$3,000,000 expended on the R. O. T. C. should be charged up as against the 6,000 graduates. If that be true, then each graduate has cost the Treasury of the United States for his 4 years of instruction an average of only about \$500. Just how to apportion this cost is a matter of opinion, and I am merely giving my opinion. However, I think any fair-minded man will agree that there are other benefits to national defense from the R. O. T. C. besides the 6,000 graduate Reserve officers.

To strengthen and build up the R. O. T. C. in our schools and colleges will help the colleges themselves. To leave the door of opportunity open to all the 123,000 R. O. T. C. students and to let the best of them win appointments in the Army will stimulate ambition in every one of them, make for a better R. O. T. C., and thus increase the efficiency of the Organized Reserves.

Now, Mr. Speaker, one other consideration. There are annually commissioned about 7,000 young men in the Officers' Reserve Corps, including approximately 6,000 graduates of R. O. T. C. I contend that according to common sense and the mathematical doctrine of probability there must be at least 250 of these 7,000 young Reserve officers, approximately equal in natural ability, in character, in education, and in leadership to the 250 graduates yearly at the Military Academy. It is true that the graduate of the Military Academy can put on a better dress parade as a whole, are better drilled in the school of the soldier, the school of the squad, and the school of the company. The dress parade of the cadets is very pretty, but dress parades do not win wars. I think one proposition must be very sound. It is that surely out of about 7,000 Reserve officers commissioned every year there can be found a number of young men superior in general education, in leadership, and in initiative to the lower half of each West Point class. That lower half is to be determined by the West Point authorities themselves. It is argued that the entire West Point class

should be commissioned at all hazards, because they say that oftentimes the men at the bottom of the class make superior officers.

However, surely the West Point authorities would not admit that doctrine, because they rate them according to their desirability as Army officers. Much stress is laid upon the fact that the West Point authorities dismiss those students who have lack of natural ability, or lack of application, or lack of character and aptitude, and are not available for officer material. Since the West Point authorities thus claim to be able to discriminate between those who would make officers and those who would not, surely by the same token they can discriminate between those who would make good officers and those who would make inferior officers. Therefore, taking the standards set down by the Military Academy authorities, I contend that if the annual attrition of officers is about 400, then commission the 200 top men from the Military Academy and commission the 200 top men who apply from the Officers' Reserve Corps for commissions, testing their qualifications by any and every method that the War Department can invent, and let the additions to the officer personnel of the Army from now on rest on a 50-50 basis. Again I emphasize the fact that if the present ratio of increment is allowed to continue, and such is the plan of the War Department, as evidenced by its urgent desire to increase by approximately 50 percent the Cadet Corps at the Military Academy, when the World War officers now in the Army die, resign, retire, or be discharged, then the ratio will be 80 percent West Point and only 20 percent civilian. We must look ahead.

Furthermore, schools often decrease in efficiency, in character-forming influence, as they increase in size. I am a firm believer in the small college for young men entering at about 18 years. It is different in great universities, where each graduate school is a unit within itself. Two thousand boys in one mass at the Military Academy would make it unwieldy as a school.

Mr. Speaker, when this question first came up I sent out a letter to the heads of all schools and colleges where we maintain a senior R. O. T. C. unit, asking their opinion of my proposal to see that the officer personnel of the Army shall be approximately 50 percent West Point graduates and 50 percent young Reserve officers, graduates of R. O. T. C. units, and from the National Guard and other sources. I have received a great many replies and I think it fair to state that 95 percent of the replies are unqualifiedly in favor of the 50-50 ratio. Perhaps approximately 1 percent is out-and-out opposed to any change in the law. Approximately 4 percent express great sympathy with my view but seem inclined to let the matter drift along and thus work itself out ultimately as the matter has been allowed to do heretofore. I believe that the opinions of 95 percent of the educators of America are entitled to great respect. The matter of training Army officers is to a certain extent an educational problem. These professional educators have a background of experience and observation that entitle their opinions great weight in my judgment. They have no motive save the good of the Nation now and hereafter. I stand with them and for the 120,000 boys who are in R. O. T. C., and for the millions who will be led by them in any future war.

Consequently, Mr. Speaker, with the permission of the House, I am extracting some of the views on both sides of this question from the answers that I have received and submit herewith as part of my remarks.

University of South Dakota—by Herman G. James, president: "In answer to your letter of March 12 I would say that I think your suggestion for drawing a large part of the commissioned officers in the Army from civil life is a very sound one. I believe that the arguments you advance are based on a correct estimate of the situation. I have talked to some other people in the university whose opinion on that subject would be valuable, and they seem to agree."

Agricultural and Mechanical College of Texas—by T. O. Walton, president: "Answering your specific inquiry, may I commend you for your efforts to authorize the commissioning in the Regular Army of the United States of about 50 percent of the vacancies

created each year by attrition from R. O. T. C. units, National Guard units, and other military sources. Such a move, in our opinion, would be not only in the interest of economy but in the interest of efficiency."

University of Akron, Ohio—by Charles E. Coates, lieutenant colonel, Infantry, P. M. S. and T.: "I am very much in favor of any plan that will offer the opportunity of a commission to R. O. T. C. graduates."

University of Kentucky—by Frank L. McVey, president: "It is my own impression that students who have done well in college, under the R. O. T. C., should be given some recognition and some opportunity to secure places in the Regular Army."

University of Kentucky—by B. E. Brewer, major, Infantry, P. M. S. and T.: "Each year we produce some outstanding young men who would make excellent officers. Based upon my 25 years' experience in the Army I would especially desire to have them in my command. These men are the cream of our young manhood."

Michigan College of Mining and Technology—by W. O. Hotchkiss, president: "Since returning I have talked with members of the faculty, and they are a unit in thinking that this would be very advisable from our point of view at the college. There is a certain amount of excellent officer material in our unit, and I believe that the boys would be glad to avail themselves of an opportunity to enter the Regular Army."

The Pennsylvania State College—by R. D. Hetzel, president: "In accordance with the request in your recent letter, I have consulted Colonel Venable, who is in charge of our military work, and a number of members of our faculty regarding the availability of officer material from the recently commissioned second lieutenants of our R. O. T. C. unit. Perhaps the most helpful thing I can do is to quote from several of them.

"Colonel Venable says: 'Since graduating from West Point in 1904, I have been intimately associated with officers commissioned from the Military Academy, from temporary forces, from the ranks, from the military departments of civilian educational institutions, and directly from civil life. I do not recollect ever having been stationed where half of my brother officers were graduates of West Point.

"As a result of my observations, I believe this diversity of origin of officers to be of great value to the service.'"

The Ohio State University—by G. L. Townsend, colonel, Infantry, P. M. S. & T.: "I have noted with great interest the letter of Representative McSwain, dated March 15, 1935, which you have referred to me, concerning the suggestion of commissioning R. O. T. C. graduates in the Regular Army.

"Next to the United States Military Academy, I am strongly of the opinion that the colleges maintaining R. O. T. C. units are the very best source from which to obtain officer material for the Regular Army. It has been my good fortune to have 11 years of experience on R. O. T. C. duty the last 8 years at this university. This service has afforded a full opportunity to judge the quality of the young men passing through the military department, and it has been a matter of considerable regret each year that some of them could not be commissioned in the Regular Army, as they would have desired."

University of Minnesota—by L. D. Hoffman, president: "I concur in the principle of offering commissions to outstanding students who have graduated from these units as a hope of reward for merit and believe that it will have a good effect in stimulating interest in their undergraduate military training."

Presbyterian College, South Carolina—by Dr. John McSween, president: "I am most heartily in favor of commissioning selected graduates of the R. O. T. C. in the Regular Army. I consider the R. O. T. C. to be one of the most valuable arms of our national defense and I am perfectly sure that each year we graduate here some men who could render conspicuous service as officers in the Regular Army of the United States, as these men are carefully selected and highly trained and are all men who are outstanding in their class."

University of Oregon—by C. V. Boyer, president: "After receiving your letter of March 15, I referred it to Colonel Murphy, commandant of the university, for an opinion, since he is far better informed upon the principles involved than am I. I am enclosing a copy of his reply which, under the circumstances, I am willing to present as my own opinion. The letter supports your position and is a very clear statement of the principles involved."

West Virginia University—by Robert A. Armstrong, acting president: "As I understand the matter, the mobilization of the man power of the Nation for the unwanted emergency of war might require an army of about four and a quarter million men. Certainly the officers who would lead and direct such effort should be representative of all of our great institutions of learning. With this end in view, I am in entire agreement with your proposal that the officers of the Regular Army should be drawn from the graduates of our universities as well as from West Point."

University of Maryland—by R. A. Pearson, president: "My associates who are most familiar with these matters feel that such a plan deserves commendation but no change should be made in the present method of commissioning officers from the Regular Army and the National Guard, as this arrangement seems to be working satisfactorily."

Rose Polytechnic Institute, Indiana—by D. B. Prentice, president: "In reply to your letter of March 15, I believe that there are a number of men in each class graduating from Rose who have taken the military training of the R. O. T. C. unit who would make good officers in the Regular Army."

University of Maine—by Prof. George William Small, colonel, Five hundred and Forty-second Coast Artillery Regiment, com-

manding: "Your letter of March 22, requesting my opinion of Representative McSwain's proposal to fill 50 percent of the officer vacancies in the United States Army with personnel other than West Point graduates, as set forth in his letter of March 15, is at hand. Without going into great detail, I may say that I am strongly in favor of this proposal.

"My war experience, 1917-19, as captain and major of artillery in the A. E. F. impressed upon my mind the desirability of such a procedure. Without minimizing the importance of West Point, it must be admitted that the broader contacts and more diversified interests of officers drawn from various universities throughout the country have made possible, and will continue to make possible, a more sympathetic and efficient control of large masses of untrained citizens that always make up the war-time army."

University of Alabama—by Dr. George H. Denny, president: "In reply to your letter of March 15, I do not fancy that my opinion can be of any particular value. However, I have discussed the matter with some members of our R. O. T. C. staff who are of the opinion that all graduates of West Point should be commissioned; that it would be poor policy and poor economy to educate a young man at the Military Academy and then fail to commission him; that any vacancies remaining after these appointments are made should be filled from R. O. T. C. graduates, enlisted men of the Regular Army, members of the National Guard, and members of the Organized Reserves.

"There is no question that a commission in the Regular Army would be a desirable goal for our R. O. T. C. graduates and would stimulate quite an added interest in our R. O. T. C. organization."

University of Florida—by Hon. Jno. J. Tigert, president: "Personally I would very much favor your plan. I think other members of our faculty would favor it. In other words, Colonel Allen's opinion is representative of the viewpoint of the West Point men and mine will be representative of the opinion of faculty men in the institution."

The Military College of South Carolina—by Gen. C. P. Summerall, president: "In reply to your letter of March 12, I am in fully sympathy with any plan that would offer appointment as second lieutenants to R. O. T. C. graduates, enlisted men of the Regular Army, and members of the National Guard and Organized Reserves. Many superior young officers could be obtained from these sources, and such a policy would give encouragement and well-merited recognition to deserving young men.

"The only difficulty that occurs to me is the effect that the plan would have upon the graduates of West Point. I believe that our history has vindicated the maintenance of the Military Academy and, while all of its graduates have not demonstrated adequate efficiency, there is no way of eliminating those who may fall until they have been tried. Many of our ablest officers did not have a high class standing. I believe that both justice and wisdom require that all the graduates of West Point should be commissioned."

Clemson Agricultural College—by T. S. Moorman, colonel, Infantry, professor of military science and tactics: "There is no better class of young men in the world than the cadet officers of the R. O. T. C. Especially does this apply to cadet field officers. These young men are hand-picked students of the senior class and possess every qualification necessary for appointment as lieutenants in the Regular Army—character, education, and exceptionally good military qualifications for the time spent on the subject.

"The probability of receiving an appointment in the Regular Army will stimulate greater interest in military training, military history, and military science and thereby improve the R. O. T. C. in every respect."

The University of Montana—by C. H. Clapp, president: "I agree with you that the progress and development of the Army will be enhanced by the commissioning of about half of the vacancies in the Army from such sources as the Organized Reserves, the National Guard, and also from the ranks. However, I do think that no such appointments should be made until all members of the graduating class at West Point have received their commissions."

University of Arizona—by H. L. Shantz, president: "It is believed that the prospect of obtaining a commission in the Regular Army will undoubtedly stimulate in all students a greater interest in our Military Establishment and tend to raise the general efficiency of our R. O. T. C. students."

University of Maine—by Arthur A. Hauck, president: "While I should welcome increased opportunities for our graduates to obtain commissions upon graduation, I question whether these commissions should be granted at the expense of the men who take the course at the Military Academy."

University of Michigan—by Frank E. Robbins, assistant to the president: "We believe that it would be a real advantage to the Army if a certain number of the new commissions each year went to persons drawn from such sources as mentioned, particularly the graduates of the courses in military science and tactics in the universities of the country. There are two or three reasons for this."

Coe College, Iowa—by H. M. Gage, president: "Unquestionably the West Point Military Academy is an excellent institution. Many excellent men have been, and are now, numbered among its graduates and there is no reason to believe that it will fail, in the future, to function and progress as it has in the past. But neither is there any grounds for the assumption that excellent prospects cannot be developed at other institutions of learning. Past experience and the present roster of our Regular Army commissioned personnel disprove such insinuation. Initially the cadet and student enrollees are from the same source,

and if the educational standards are of the same level the graduates should be equally well equipped to fulfill competently, identical tasks."

The Ohio State University—by George W. Rightmire, president: "On my own part I desire to answer your letter briefly by saying that, in my judgment, the plan you propose for the graduates of the Reserve Officers' Training Corps is a most commendable one. These young men are equipped mentally, physically, and with a considerable degree of military knowledge and attitudes acquired through their Reserve Officers' Training Corps course. Young men of the highest class and of the proper age can be found among those graduates with the commission of second lieutenant. I commend you heartily for the constructive plan which your letter sets forth and trust that you may succeed in having it adopted as a policy."

Norwich University, Vermont—by Porter Adams, president: "The greatest advantage, as I see it, lies in the fact that by so doing we should be stimulating a wide-spread interest in national defense and should provide a definite incentive for boys interested in the military profession to train themselves thoroughly for it. Furthermore, such a plan, as you point out, would tend to broaden the viewpoint of the officer personnel of the Army. In addition, there is an advantage in the fact that the expense to the Government of training this officer material is considerably less per man than at the United States Military Academy."

The University of Pittsburgh, Pennsylvania—by Evan T. Sage, professor of Latin, head of department of classics: "The plan proposed would open a new career to the college graduates, and one of manifest attractiveness, especially at such a time as this; it would furnish the Regular Army with a new source of officer material; it would improve the position of the R. O. T. C. by giving it additional recognition and reason for existence; and it would weld more closely together the various elements of the Army and the Army with the civilian population by multiplying the bonds between them."

Lafayette College, Philadelphia—by W. M. Lewis, president: "Our military officers, and others to whom I have talked, believe that the interest in R. O. T. C. units would be greatly increased if one or more members of the senior class could be assured an appointment in the Regular Army. The feeling is that the percentage of officers to be derived from sources other than the Military Academy might well be about 25 percent."

Pomona College, California—by William E. Nicholl: "After consulting with several of my colleagues here, I would say that, on the whole, Pomona College would be favorable to a plan of filling at least 50 percent of the vacancies in the officer personnel of the Army with graduates of colleges who have completed the R. O. T. C. course. I believe such a choice of officers would make for a wholesome balancing of responsibility and leadership in our Army."

Agricultural and Mechanical College of Texas—by F. C. Bolton, dean: "I am very much interested in your plan to authorize the filling of approximately half of vacancies in the officer personnel of the Army from the Officers' Reserve Corps, the National Guard, and the ranks of the Regular Army. I believe that this will not only strengthen the Regular Army but that it will have the effect of stimulating greater interest in the National Guard and the Organized Reserves. I am basing this opinion on my contact with the students in the R. O. T. C. work and also upon my contact with the Army in my own capacity as a Reserve officer."

"I believe that an infiltration of a few well-qualified young men graduates of civil educational institutions would bring into the service a point of view which it is not always possible for the West Point graduates to get. Of course, there would continue to be enough West Point graduates to set high standards for the officers, but there would be enough of the officers from civil life to broaden the viewpoint of the graduates from the military academies."

Alabama Polytechnic Institute—by L. N. Duncan, president: "It is my feeling that 50 percent may be high, in view of the fact that the United States Military Academy was created and is operated to train officers for the Army, but if the commissioned strength of the Regular Army is enlarged, a reasonable position of the new officers or addition should come from the R. O. T. C. unit and other sources named by you."

"I believe that this should be done rather than have the enrollment at the United States Military Academy such as to take care of all attrition. These R. O. T. C. units are very efficiently operated, and the instruction they gain, other than in military itself, should be very helpful to them as Army officers."

Connecticut State College—by Charles C. McCracken, president: "I have conferred with the Reserve Officers Training Corps officers in our college concerning the contents of your letter of March 12. Following is a statement which they have given me and I am sending it on to you with my approval: 'It is our opinion that his entire proposal is meritorious and desirable, both from the standpoint of the efficiency of the Army and with a view to stimulating greater interest on the part of Reserve Officers Training Corps students.'"

University of Dayton, Ohio—by Walter C. Tredwin, president: "As a matter of principle, I believe, as you do, that not all new officers from the Army should be supplied from West Point. Here and at other colleges we produce graduates, some of whom are fully equal to the best from West Point, and some of these I should like to see commissioned in the Regular Army."

The University of Tennessee—by James D. Hoskins, president: "In reply to your letter of March 15 asking an opinion as to the availability of officer material from recently commissioned second lieutenants of the Reserve Officers Training Corps units, I may

say that I agree in principle with a plan by which a portion of the vacancies of the Regular Army are filled from such sources.

University of Delaware—by Walter Hulihan, president: "In reply to your letter of March 15, I am writing to say that I have conferred with our military instructors and other members of the teaching staff whose opinions seem to me of value. All of us are agreed that your proposal to authorize the commissioning in the Regular Army of the United States of about 50 percent of vacancies occurring each year from such civilian sources as the Organized Reserves, the National Guard, and also from the ranks of the Regular Army is entirely sound."

Purdue University, Indiana—by Edward C. Elliott: "I and my colleagues immediately interested in the work of the R. O. T. C. are agreed that the commissioning of a certain number of graduates each year in the Army would greatly stimulate interest in work of the R. O. T. C. It is my judgment that the men of high standing in R. O. T. C. here would make excellent Regular Army officers."

University of Arkansas—by J. C. Futrall, president: "It is my opinion that the plan you propose is an excellent one. Many of these young graduates of the R. O. T. C. would, in my opinion, make excellent Army officers, and the opportunity to go into the Army would undoubtedly furnish quite a stimulus to the R. O. T. C. work in the colleges and universities."

Virginia Polytechnic Institute—by Julian A. Burruss, president: "We are greatly interested in your letter of March 15, and I assure you that we are fully in accord with the effort you are making to authorize the commissioning in the Regular Army of graduates from standard colleges maintaining R. O. T. C. units. I wish to quote from a statement of Lt. Col. John B. Maynard, professor of military science and tactics, and head of the military department of this institution, as follows:

"Based on almost 27 years' experience as an officer, I am convinced that most graduates from schools such as the Virginia Polytechnic Institute are fully qualified to perform the duties of officers, equally as well as those graduated from West Point. I also believe it would increase the standards of and interest in the R. O. T. C. if a commission could be made available to a certain percentage of the very best men. I also believe it would be beneficial to the Army to have this leaven of officer material in it instead of having them all come from the same school even though the graduates of that school come from all parts of the United States."

Alabama Polytechnic Institute—by P. O. Davis, executive secretary: "The Alabama Polytechnic Institute is in hearty accord with the position stated by you in your letter of March 12."

Cornell University, New York—by Livingston Farrand, president: "I am sure that not only my own opinion but that of my colleagues at Cornell University would be in favor of making a considerable number of such appointments from civilian sources and particularly from among outstanding students of the advanced R. O. T. C. courses in our universities. Opinions would naturally differ as to what the proportion should be."

Oklahoma Military Academy—by Walter E. Downs, president: "In reply to your letter requesting my opinion with reference to the commissioning in the Regular Army of the United States 50 percent R. O. T. C. units from military schools, colleges, and universities, also the Organized Reserves, the National Guard, and from the ranks of the Regular Army, I desire to say that it will do more to advance interest and secure progress in the Army than anything that can be done."

The Creighton University, Omaha—by Rev. P. J. Mahan, S. J., president: "There are many reasons why the commissioned personnel of the Regular Army should be composed of not less than 50 percent from sources other than the Military Academy. The reasons as I see them are:

"(a) The necessity for increased contact between civilians and members of the commissioned personnel of the Regular Army.

"(b) The inculcation of new thoughts and ideas into the extremely conservative organization.

"(c) The stimulation of interest in Army affairs in young men who may not be able to attend the Military Academy.

"It has been my observation that there has been a decided lack of contact between the American military men and the man in civilian life."

The Arkansas State Teachers' College—by Gen. H. L. McAlister, president: "We are all of the opinion that this would be a good plan. I have often heard of the so-called 'West Point clique', although I have never seen it nor have I come in contact with it. I believe it would be a good plan to have the boys in the Army come in closer contact with the civilian."

The Rhode Island State College—by R. G. Bressler, president: "I am in hearty accord and all of our military officers as well as the deans of the college join with me in urging your program, which would make possible R. O. T. C. units to receive consideration for appointments to the Regular Army."

Ripon College, Wisconsin—by Silas Evans, president: "Replying to your letter of March 15, I can report a most enthusiastic reception and approval of the proposed measure which you are promoting. I have spoken to many of our representative men, trustees, and faculty members, and the opinion I herein express is most cordially and enthusiastically expressed by them."

University of Pennsylvania—by Thomas S. Gates, president: "I believe that your plan to appoint R. O. T. C. graduates as second lieutenants in the Regular Army is excellent."

Lehigh University, Pennsylvania—by C. R. Richards, president: "If the enlisted personnel of the Army is increased as proposed, I assume that there will be immediate need for an increase in the

number of officers and that a part of this increase may very well be made from the ranks of the Officers' Reserve Corps. I am, therefore, in general agreement with your proposal."

The University of Oklahoma—by W. B. Bizzell, president: "I believe most officers and everyone with a national outlook who is interested in the Army will agree that it would be a good policy to secure a part of the normal officer replacement each year from civilian sources including the R. O. T. C., and that any commissioned from R. O. T. C. graduates would be of exceedingly high promise in leadership, scholastic attainments, aptitude, and general worth."

"Such a policy would furnish incentive to many aspirants exceptionally qualified who might not otherwise consider a military career open to them. It should be of great benefit to the whole country to have this wider spread of opportunity open to the young men of the various sections. The Army would benefit by having a variety in the educational background of its personnel."

North Dakota Agricultural College, North Dakota—by J. H. Sheperd, president, "Replying to your letter of March 15, I wish to say that I believe your plan of using R. O. T. C. members of our graduating class for Regular Army officers to the extent of 50 percent would be a good one."

General Alumni Association, University of Pittsburgh—by John W. Hallock, secretary: "I would suggest the inclusion of the following paragraph in your letter to the Chairman of the Military Affairs Committee:

"I am convinced that the proposed policy of recruiting second lieutenants for the Regular Army from existing Reserve Officers' Training Corps units is highly advisable. It will lend greater flexibility to the number of available officers. It will contribute greatly to the morale and training of Reserve officers through stimulating competitive effort for permanent commissions. It will obviate the necessity of an expansion of facilities at West Point. It will stimulate Regular Army officers assigned to R. O. T. C. duty. Finally, it is a splendid economy measure and I earnestly support the provisions of the measure."

"If you wish to add my military title, it is lieutenant colonel in the Corps of Engineers Reserve and chief of the Pittsburgh engineering procurement district."

University of Georgia—by S. V. Sanford, president: "I have talked with Colonel Mann, of the Regular Army, who is in charge of our R. O. T. C. unit, and whose opinion in this matter I value highly, and he states that he is heartily in favor of your entire plan, and believes that officer material taken from outstanding and particularly suitable graduates of the advanced R. O. T. C. students would not only greatly popularize military training in our schools and universities, but would furnish a reservoir of fine young officers who would be second to none, and would place a value of R. O. T. C. training on a higher plane than ever before."

University of New Hampshire—by Edward M. Lewis, president: "Upon inquiry I find that your suggestion meets with a hearty response among those interested in the project on this campus."

The University of Wyoming—by A. G. Crane, president: "I am indeed pleased to acknowledge an inquiry from you asking opinion regarding the proposal to fill a part of the annual vacancies in the Regular Army commissions personnel from the organized reserves of the National Guard as well as from the ranks of the Regular Army. I am in hearty accord with your recommendation. I think the Regular Army, like some other highly organized establishments, has suffered from inbreeding. The introduction of newer blood, which had not been fully indoctrinated with all the precedents, rules, and routine of the establishment would be a decidedly healthy thing for the United States Army."

Yale University—by James R. Angell, president: "I am not in a position to speak for other institutions, but my observation of the facts here at Yale, together with my knowledge of the view of military men who are familiar with our situation, leads me to feel that we could annually offer to the Army for regular appointment as second lieutenants several absolutely first-class men."

"There seems to be no question that, if the possibility of such appointments were known, there would be a marked increase in the interest in the work of the R. O. T. C., and a notable increase of enrollment."

"That the injection of a collegiate group of this kind into the Army would have a beneficial effect of the officer personnel of the Regular Establishment also seems to me beyond question."

Wofford College, South Carolina—by Henry N. Snyder, president: "In reply I write to say that I approve heartily of your proposal to authorize the commissioning of the Regular Army graduates of R. O. T. C. institutions. My view is that you will get an unusually fine quality of young men. They have had a more generalized cultural equipment than perhaps they would get at West Point, and, in addition, have had the fundamentals of technical military training. I believe it would be greatly to the advantage of the Army to feed in men of this type."

Rutgers University, New Jersey—by John C. Clothier, president: "I have read with interest your letter of March 15 and have taken it up with the officers of our military staff. It is our feeling that the plan which you propose would stimulate interest in the R. O. T. C. courses at our universities and that benefit would result."

New York University—by Harold O. Voorhis, secretary: "Replying to your letter of March 12, it seems to us that if we are to go on supporting in our colleges as a part of the national defense the work of the Reserve Officers' Training Corps, reasonable provision should be made for the active employment in the Army of officer material so trained. Your effort toward this end seems deserving of encouragement."

University of Illinois—by A. C. Willard, president: "It is our belief that the commissioning in the Regular Army of a fixed percentage of Reserve Officers' Training Corps graduates annually, to be selected and recommended by the professor of military science and tactics and approved by the president of the institution, would provide a great incentive for enrollment and for high standing in the Reserve Officers' Training Corps, and also for high academic standing in college courses, as the two are inseparably bound together. We now limit our selection of students for the advanced course to those with good academic standing. This gives us the cream of the young men in the university; and, therefore, if the best of our Reserve Officers' Training Corps graduates be commissioned in the Regular Army, it is evident that they would be unusually well qualified for such appointment."

Drexel Institute, Philadelphia—by Parker R. Koibe, president: "I agree with the suggestion made in your letter of March 12. It would undoubtedly stimulate interest in military training if the possibility of obtaining a commission in the Regular Army were held out to the members of the Reserve Officers' Training Corps. I am further of the opinion that the graduates from the advanced course in our Reserve Officers' Training Corps colleges would make splendid material for service in the Regular Army."

Massachusetts Institute of Technology—by S. C. Vestal, colonel, Coast Artillery Corps, P. M. S. and T.: "I am in favor of Mr. McSwain's idea for two reasons:

"(1) The outlook of the Army is broader if its officers come from various sources. An exclusively West Point produced personnel would tend to become inbred and narrow minded. Moreover, such a corps of officers invites caustic criticism upon the Army and upon the Military Academy, as anyone will perceive who looks through the contents of Benton's Thirty Years in the United States Senate, which covers the period from 1820 to 1850, when the officers of the Army came almost exclusively from West Point. There has been comparatively little of the criticism of the kind voiced by Senator Benton since the Civil War, for the reason, in my opinion, that, in addition to graduates of West Point, there has always been a large percentage of officers who came into the Army as a result of the Civil, Spanish-American, and World Wars, and in addition many appointees from the Army, civil life, and from our schools and colleges."

"(2) A great incentive would be given to the advanced R. O. T. C. if a certain number of commissions in the Regular Army were given to outstanding R. O. T. C. graduates directly upon graduation. No incentive is given to the R. O. T. C. by the fact that its graduates may later compete for commissions as Reserve officers, and I do not believe that the Officers' Reserve Corps is greatly benefited by the fact that officers in its lower grades may compete for commissions in the Regular Army."

Massachusetts Institute of Technology—by Karl T. Compton, president: "Advantages which I see in your plan are: First, the stimulating effect of bringing into the regular service men who have this outlook and training which the West Point graduates may not have, excellent as their special training is. There is a fundamental danger in all organizations of depending exclusively on one source of personnel, and this is accentuated in the Army by the fact that most of the instruction is given by men who have themselves gone through the same mill."

The State College of Washington—by E. O. Holland, president: "I have made careful inquiry of a number of competent persons relative to this matter and all of us are agreed that such a plan, if carried out with some degree of care, would be helpful to the United States Army and also increase the support by the public generally of our standing Army."

Kansas State College—by F. D. Farrell, president: "Each year somewhat more than 5,000 graduates of Reserve Officers' Training Corps units in our colleges and universities are given commissions in the Organized Reserve. It would be practicable to select each year from this number several hundred young men of exceptional qualifications as Army officers. I believe that the throwing open of a moderate number of lieutenantcies to the outstanding stimulus of the Reserve Officers' Training Corps would be a great stimulus to military training in our colleges and universities and a significant contribution to our national defense."

Virginia Military Institute—by John A. Lejeune: "I cannot speak for the Reserve Officers' Training Corps units in the other colleges, but I am certain that the average graduate from the Virginia Military Institute is well fitted to be commissioned as a second lieutenant in the branches of Cavalry, Field Artillery, and Infantry in the Regular Army. I base this opinion on the fact that cadets here live in a similar state of discipline as at West Point, and they have guard duty, daily parade, review and inspection, and drills in Infantry, Field Artillery, and Cavalry. All of the cadets belong to the Reserve Officers' Training Corps unit except a few who are not qualified physically, but they drill nevertheless."

"I am therefore heartily in favor of commissioning a liberal proportion of our graduates in the Army, and I know that it would be beneficial to the Army, bringing into it different modes of training and thought."

Carnegie Institute of Technology, Pennsylvania—by Charles Watkins, assistant to the president: "After consulting with members of our faculty, including a representative from the military department, I wish to recommend your plan for authorizing the commissioning of Army officers from Reserve Officers' Training Corps units. Personally, I believe this to be a move in the right direction and was somewhat surprised to find that graduates of West Point, now attached to our military department, are enthusiastic in their endorsement of this step."

The University of Akron, Ohio—by H. E. Simmons, president: "The University of Akron is certainly happy to lend its support to any measure that would make it possible for 50 percent of the vacancies created each year to be filled by graduates from recognized Reserve Officers' Training Corps units."

Ouachita College, Arkansas—by J. R. Grant, president: "I am heartily in favor of commissioning men from the ranks of our Reserve Officers' Training Corps. For fear I might not see it in the right light, I asked Major Amis, who has charge of our Reserve Officers' Training Corps, to make a statement for you. He has addressed it to me but I am enclosing it in my letter. I think he has expressed my sentiments well."

College of Engineering and Commerce, Cincinnati, Ohio—by Herman Schneider, dean: "Dr. Gowdy and I have gone over the letter, hereto attached, from Congressman JOHN J. McSWAIN. The letter, in substance, proposes that one-half the vacancies in the commissioned ranks of the Regular Army be appointed outside the graduates of the United States Military Academy. It seems to me that this would be a good policy, beneficial both to the Army and to the engineering profession. I know that our own graduates would meet the requirements successfully."

The University of Tennessee—by Guy M. James, second lieutenant, Light Infantry, O. R. C.: "I have always heard that if the Army had a friend in Washington, it was Congressman McSWAIN, and that Congressman McSWAIN was a great champion of Reserve officers. Because of this, and because I know of the invaluable aid you gave to Captain Kemp in his recent trouble, I would like to ask if you would help me solve a problem I have struggled with in the darkness of ignorance, with no success.

"I am a graduate of the 1934 class of the University of Tennessee and am now 23 years of age. I hold a second lieutenant's commission in the Reserve Corps and have completed my work up to the grade of captain in less than 2 years. I am rather proud of the short record I have been able to attain in the corps.

"During my senior year at the university and up to the present I have served as instructor in the military department of the University of Tennessee entirely on my own initiative and with no pay, merely to increase my efficiency as an officer. While this means nothing toward promotion nor helps my military record, I think I am better for having done it, and I believe I can say without boasting that the Regular Army officers on duty at the university would give a good report on me. I have many recommendations from Army officers under whom I have served which I can submit with pride at any time.

"More than anything in the world, I want to be an officer in the Regular Army, and would gladly do anything necessary to obtain a commission if I only knew what was required and how to go about the affair. I have written the War Department about it, and they tell me that only West Pointers are appointed in the Regular Army. I feel certain that there must be some way for a person who is as much interested in the Army as I am to do something about it."

The University of Nebraska—by Charles E. Speer, major, Infantry; Walter T. Scott, captain, Infantry; G. W. Spoerry, captain, Infantry: "That the officer personnel and the Army in general will be closer to the people and rated higher by the man on the street if a larger percentage of its officers be appointed from men who have made themselves outstanding and filled a niche in college life as well as the home community before entering the service."

Western Maryland College—by A. N. Ward, president: "I want to say that I endorse the principle of your plan of authorizing the commissioning in the Regular Army of the United States of about 50 percent of the vacancies created each year by ordinary attrition from such civilian sources as the Organized Reserves, the National Guard, and also from the ranks of the Regular Army. I believe that a number of our students graduating in the R. O. T. C. who would make desirable officers would like to apply for these commissions. This opinion is also held by the officers in our R. O. T. C. unit and by our representative faculty members."

Oklahoma Agricultural and Mechanical College—by Henry G. Bennett, president: "I favor such a policy for two reasons: First, it will tend to minimize the effects of inbreeding, which results from depending upon one usual source for all officers. Second, it will promote better a democratic spirit in the permanent establishment. I think, in addition to this, that the influence of such an opportunity will react most beneficially upon the morale of R. O. T. C. units."

The University of North Dakota—by John C. West, president: "I am quoting herewith a report by my professor of military science, who is a graduate of the Military Academy and has served approximately 26 years in the Regular Army:

"There is no better material for officers than the 'cream' of the R. O. T. C. graduates each year. As the regulations now read, each R. O. T. C. unit can recommend 5 percent of its graduates as 'honor graduates.' These men can accept commissions in the Regular Army without examination, except the physical examination, if there are any vacancies, after the West Point class of that year has been commissioned. There have been no vacancies for several years."

"I have had close contact with several officers who have entered the Army from R. O. T. C. units and every one of them has been an excellent man. One of these is now an assistant professor of military science at this university.

"If the prospect of obtaining a commission was offered to the R. O. T. C. graduates, it would be one of the best stimulants possible for them."

#### THE WATERS OF THE COLORADO RIVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a brief memorial passed by the Legislature of Colorado concerning the Colorado River compact.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Senate Joint Resolution 17, adopted a few days ago by the Thirtieth General Assembly of the State of Colorado, protesting against the Honorable Harold L. Ickes, Secretary of the Interior, entering into a contract with the State of Arizona for the storage in and delivery of 2,800,000 acre-feet of water from the Boulder Canyon Reservoir. The matter referred to in this resolution pertains to and is more fully explained in my letter to the Secretary of the Interior of the 2d of April and published in the CONGRESSIONAL RECORD of April 3, 1935. The resolution is as follows:

#### Senate Joint Resolution 17

Whereas we are advised that the State of Arizona has requested, or is about to request, the honorable Secretary of the Interior of the United States to enter into a contract with that State for the storage in and delivery of certain waters from the Boulder Canyon Reservoir; and

Whereas the State of Colorado is vitally interested in protecting her rights in the waters of the Colorado River: Now, therefore, be it

*Resolved by the Senate of the Thirtieth General Assembly of the State of Colorado (the house of representatives concurring therein), That we do hereby protest the entering into such contract by the honorable Secretary of the Interior with said State; and be it further*

*Resolved, That our secretary of state is hereby directed to transmit a certified copy of this joint resolution to the Honorable Harold L. Ickes, Secretary of the Interior, and to Hon. EDWARD P. COSTIGAN, Hon. ALVA B. ADAMS, Hon. EDWARD T. TAYLOR, Hon. JOHN A. MARTIN, Hon. LAWRENCE LEWIS, and Hon. FRED CUMMINGS, our Senators and Representatives, respectively, in the Congress of the United States.*

RAY H. TALBOT,  
President of the Senate.  
M. J. WALSH,  
Secretary of Senate.  
MOSES E. SMITH,  
Speaker of the House.  
JOHN T. DOYLE,  
Chief Clerk.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CONNERY, for 2 days, on account of important business.

#### COTTON GROWING, PROCESSING, AND MANUFACTURE INTO TEXTILES AND OTHER PRODUCTS

Mr. SIROVICH. Mr. Speaker, I want to inform the House that I have introduced a resolution providing for a special committee to obtain the facts in relation to cotton growing, processing, and manufacture into textiles and other products, and to investigate the loss of American cotton markets to foreign competitors, and to determine means whereby the American cotton market, both domestic and foreign, may be regained and expanded.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 93. An act to authorize certain officers of the Navy and Marine Corps to administer oaths;

S. 1208. An act authorizing personnel of the naval service to whom a commemorative or special medal has been awarded to wear in lieu thereof a miniature facsimile of such medal and a ribbon symbolic of the award;

S. 1210. An act authorizing certain officials under the Naval Establishment to administer oaths; and

S. 2197. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia.

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 24, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

309. A letter from the Secretary of War, transmitting report of an accumulation of documents and files of papers in the Philadelphia depot of the Quartermaster Department no longer useful in the transaction of public business; to the Committee on Disposition of Executive Papers.

310. A letter from the Comptroller General of the United States, transmitting a report of papers or documents now in the files of that office no longer required in the transaction of public business; to the Committee on Disposition of Executive Papers.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CARY: Committee on Appropriations. H. R. 7672. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 746). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 151. A bill authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments; without amendment (Rept. No. 747). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Special Subcommittee on Foreign Affairs. H. Report 748. A report on the tin investigation pursuant to House Resolution 404 (73d Cong.) and House Resolution 71 (74th Cong.). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. House Joint Resolution 249. Joint resolution to provide for participation by the United States in the Eighth International Congress of Military Medicine and Pharmacy to be held at Brussels, Belgium, in June 1935; with amendment (Rept. No. 749). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFARLANE: Committee on Naval Affairs. S. 1611. An act to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.; without amendment (Rept. No. 752). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. R. 5720. A bill to amend the National Defense Act of June 3, 1916, as amended; with amendment (Rept. No. 753). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 7340. A bill for the relief of Margaret G. Baldwin; without amendment (Rept. No. 750). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 7561. A bill for the relief of Irene de Bruyn Robbins; without amendment (Rept. No. 751). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARY: A bill (H. R. 7672) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. SMITH of Connecticut (by request): A bill (H. R. 7673) to amend the Liquor Taxing Act of 1934, approved January 11, 1934, and acts amendatory thereof and supplementary thereto; to the Committee on Ways and Means.

By Mr. FULMER: A bill (H. R. 7674) to relieve Government employees of undue charges for quarters, subsistence, laundry, etc., and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. McREYNOLDS: A bill (H. R. 7675) to provide for the national defense by encouraging the domestic production of tin, and by decreasing the dependence of the United States upon foreign nations for a supply of the same; to the Committee on Ways and Means.

By Mr. BRUNNER: A bill (H. R. 7676) to provide that airplanes, dirigibles, and other aircraft for the use of the Army, the Navy, and Coast Guard shall be constructed by domestic firms with employees who are citizens of the United States; to the Committee on Military Affairs.

By Mr. JONES: A bill (H. R. 7677) to amend the Agricultural Adjustment Act with respect to sugar beets and sugar-cane; to the Committee on Agriculture.

By Mr. CHAPMAN: A bill (H. R. 7678) to authorize the Director of the Mint to supplement the approved design of the 50-cent piece commemorating the two hundredth anniversary of the birth of Daniel Boone, the coinage of which was authorized by act of the Seventy-third Congress (Public, No. 258, S. 3355) to the Committee on Coinage, Weights, and Measures.

By Mr. KOPPLEMANN: A bill (H. R. 7679) to authorize the erection of an addition to the existing Veterans' Administration Facility, Newington, Conn.; to the Committee on World War Veterans' Legislation.

By Mr. PARSONS: A bill (H. R. 7680) to amend the act of May 18, 1934, providing punishment for killing or assaulting Federal officers; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 7681) to amend the law governing the leasing of unallotted Indian lands for mining purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 7682) to authorize the Secretary of the Interior to grant concessions on reservoir sites and other lands in connection with Indian irrigation projects and to lease the lands in such reserves for agricultural, grazing, or other purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 7683) repealing certain provisions of law relating to the Indians; to the Committee on Indian Affairs.

By Mr. TERRY: A bill (H. R. 7684) to authorize the erection of an addition to the existing Veterans' Administration facility at North Little Rock, Ark.; to the Committee on World War Veterans' Legislation.

By Mr. VINSON of Georgia: A bill (H. R. 7685) authorizing the Secretary of the Navy to accept on behalf of the United States a bequest of certain personal property of the late Dr. Malcolm Storer, of Boston, Mass.; to the Committee on Naval Affairs.

By Mr. STACK: A bill (H. R. 7686) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas: A bill (H. R. 7687) to amend the Judicial Code to permit defendants in criminal cases to waive trial by jury; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 7688) to provide for the appointment and promotion of substitute postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. ZIMMERMAN: A bill (H. R. 7689) to legalize a bridge across Black River near the north line of section 2, township 24 north, range 6 east, near the town of Poplar Bluff, in Butler County, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. CORNING: A bill (H. R. 7690) to authorize the coinage of 50-cent pieces in commemoration of the two-

hundred-and-fiftieth anniversary of the founding of the city of Albany, N. Y.; to the Committee on Coinage, Weights, and Measures.

By Mr. GREEVER: A bill (H. R. 7691) to authorize the erection of additional facilities at the existing Veterans' Administration Facility, Cheyenne, Wyo.; to the Committee on World War Veterans' Legislation.

By Mr. SIROVICH: Legislation (H. Res. 202) providing for a special committee to obtain the facts in relation to cotton growing, processing, and manufacture into textiles and other products, and to investigate the loss of American cotton markets to foreign competitors and to determine means whereby the American cotton market, both domestic and foreign, may be regained and expanded; to the Committee on Rules.

By Mr. SMITH of Connecticut (by request): Joint resolution (H. J. Res. 256) to amend Public Resolution No. 40, Seventy-third Congress, approved June 18, 1934; to the Committee on Ways and Means.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 257) to amend a joint resolution entitled "Joint resolution for the relief of Porto Rico", approved December 21, 1928, as amended by the Second Deficiency Act, fiscal year 1929, approved March 4, 1929; to the Committee on Insular Affairs.

By Mr. KELLER: Joint resolution (H. J. Res. 258) to provide for certain State allotments under the Cotton Control Act; to the Committee on Agriculture.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, re the reduction of the present tax on beer and other liquor; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Pennsylvania, favoring the Pulaski memorial resolution; to the Committee on the Judiciary.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 or rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 7692) to provide for replacement of the old Fort C. F. Smith Monument in Custer Battlefield National Cemetery, Mont.; to the Committee on Military Affairs.

By Mr. BOLTON: A bill (H. R. 7693) for the relief of Mike Duran; to the Committee on Claims.

By Mr. CASEY: A bill (H. R. 7694) for the relief of Henry Werre; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 7695) granting a pension to Zack H. Wilson; to the Committee on Pensions.

By Mr. COLLINS: A bill (H. R. 7696) granting a pension to Cudleigh Andrews Clifford; to the Committee on Pensions.

By Mr. DOBBINS: A bill (H. R. 7697) authorizing the President to order Jesse T. McDavid before a retiring board for a hearing of his case and, upon the findings of such board, determine whether or not he be placed on the retired list, because of distinguished service in the World War, with the rank and pay of a lieutenant colonel; to the Committee on Military Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 7698) to correct the naval record of Howard Barras; to the Committee on Naval Affairs.

By Mr. GREENWOOD: A bill (H. R. 7699) granting a pension to Frank Burcham; to the Committee on Invalid Pensions.

By Mr. LEE of Oklahoma: A bill (H. R. 7700) to reimburse the Soldiers' Tubercular Sanitarium of Sulphur, Okla., for unauthorized emergency treatment and hospitalization of service-connected World War veterans given prior to July 1, 1930; to the Committee on Claims.

By Mr. PALMISANO: A bill (H. R. 7701) granting a pension to Joseph Galonska; to the Committee on Pensions.

By Mr. SCHULTE: A bill (H. R. 7702) for the relief of John A. Barr; to the Committee on Claims.

By Mr. SNYDER: A bill (H. R. 7703) granting a pension to Mary Alice Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7704) granting an increase of pension to Ann Eliza Ansell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7705) granting an increase of pension to Sarah A. Chisholm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7706) granting an increase of pension to Melissa D. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7707) granting an increase of pension to Roxalina Davis; to the Committee on Invalid Pensions.

By Mr. ZIMMERMAN: A bill (H. R. 7708) granting a pension to Roy Walker; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7320. By Mr. ROGERS of Oklahoma: Petition headed by A. H. Lesesne, of Glenwood, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7321. Also, petition headed by J. Austin, of Carrsville, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7322. Also, petition headed by Henry Padget, of Chesterfield, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7323. Also, petition headed by D. Pryear, of Drewery, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7324. Also, petition headed by Frank Tatom, of Prattville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7325. Also, petition headed by A. Smith, of Straven, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7326. Also, petition headed by Tom Ralls, of Culloden, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7327. Also, petition headed by Charlie Vinson, of Mercer, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7328. Also, petition headed by Harry Perkins, of Toone, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7329. Also, petition headed by Page Ford, of Telogia, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7330. Also, petition headed by W. T. Gaddis, of Marble Hill, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7331. Also, petition headed by B. C. Kimmons, of Atlanta, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7332. Also, petition headed by M. Hatter, of Woodward, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7333. Also, petition headed by L. Hill, of Flintville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS,

the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7334. Also, petition headed by G. Rigsby, of Broughton, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7335. Also, petition headed by Sam Thames, of Manchester, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7336. Also, petition headed by J. L. McDaniel, of Cord, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7337. Also, petition headed by Joshua Ellingwood, of Livermore, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7338. Also, petition headed by H. Robertson, of Millport, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7339. Also, petition headed by C. T. Fordham, of Garfield, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7340. Also, petition headed by A. J. Hancock, of Livermore, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7341. Also, petition headed by L. W. Miller, of Carbondale, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7342. Also, petition headed by B. Thomas, of Greensboro, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7343. Also, petition headed by C. Higgins, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7344. Also, petition headed by H. B. Cates, of Anniston, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7345. Also, petition headed by Samuel Songer, of Tilton, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7346. Also, petition headed by A. E. Ellington, of Peach Orchard, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7347. Also, petition headed by T. C. Ellis, of Moulton, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7348. Also, petition headed by L. Hill, of Augusta, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7349. Also, petition headed by E. Fitzgerald, of Unity, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7350. Also, petition headed by Charles Mowers, of Unity, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7351. Also, petition headed by M. Bullocks, of Tuckerman, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7352. Also, petition headed by M. B. Story, of Wilmington, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7353. Also, petition headed by Wallace Rowland, of Shabbona, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7354. Also, petition headed by G. Whitson, of Berry, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7355. Also, petition headed by C. Newsom, of Sheffield, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7356. Also, petition headed by O. L. Perry, of Sulphur Springs, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7357. Also, petition headed by D. F. Edwards, of Pollard, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7358. Also, petition headed by M. Johnson, of New Orleans, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7359. Also, petition headed by E. Caldwell, of Cordova, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7360. Also, petition headed by James C. Posey, of Morris, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7361. Also, petition headed by John W. Fleming, of Christian County, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7362. Also, petition headed by Charles W. Quarles, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7363. Also, petition headed by Joe Nelson, of Paducah, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7364. Also, petition headed by J. H. Love, of Blanche, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7365. Also, petition headed by Daniel Hooker, of Ormand, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7366. Also, petition headed by Ford English, of Plateau, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7367. Also, petition headed by John Dewitt, of Booneville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7368. Also, petition headed by C. Colbert, of Eldorado, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7369. Also, petition headed by M. W. Shumate, of Gunterville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7370. Also, petition headed by Rev. W. J. Watson, of White House, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7371. Also, petition headed by J. M. Brooks, of Spruce Pine, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7372. Also, petition headed by Sylvester Stephens, of Lagrange, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7373. Also, petition headed by G. B. Alexander, of Parrish, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7374. Also, petition headed by M. W. Willimas, of Wakulla, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7375. Also, petition headed by C. W. Glass, of Summerdale, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7376. Also, petition headed by Wilson Martin, of Nauvoo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7377. Also, petition headed by G. Rudder, of Stevenson, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7378. Also, petition headed by L. V. Jones, of Forrest City, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7379. Also, petition headed by W. O. Talley, of Anniston, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7380. Also, petition headed by J. McFarland, of Danville, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7381. Also, petition headed by E. V. Gafford, of Billingsley, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7382. Also, petition headed by George Rosser, of Russellville, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7383. Also, petition headed by Britt M. Jones, of Albany, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7384. Also, petition headed by E. W. Smith, of Troy, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7385. Also, petition headed by William Lawson, of Ullin, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7386. Also, petition headed by G. W. Puhler, of Wheeler, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7387. Also, petition headed by A. Grogan, of Murray, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7388. Also, petition headed by Tom Melvin, of Stilson, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7389. Also, petition headed by J. W. Forster, of Monterey, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7390. Also, petition headed by Henry McGuire, of Waverly, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7391. Also, petition headed by Harman V. Hahn, of Kankakee, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7392. Also, petition headed by Lawrence Lewis, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7393. Also, petition headed by S. Henderson, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7394. Also, petition headed by Mark Stewart, of Somerville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7395. Also, petition headed by George S. Butler, of Horse Shoe, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7396. Also, petition headed by B. Smith, of Braselton, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7397. Also, petition headed by William Smith, of Reform, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7398. Also, petition headed by Sam Reish, of Morrisonville, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7399. Also, petition headed by James Esmon, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7400. Also, petition headed by John G. Baker, of Knoxville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7401. Also, petition headed by O. Crawford, of Beggs, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7402. Also, petition headed by Charles Forsyth, of Anniston, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7403. Also, petition headed by J. P. Tate, of Ashford, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7404. Also, petition headed by G. L. Acton, of Siluria, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7405. Also, petition headed by John Conway, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7406. Also, petition headed by S. Collins, of Cuyahoga Falls, Ohio, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7407. Also, petition headed by F. Roberson, of Cuyahoga Falls, Ohio, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

7408. By Mr. BUCKLER of Minnesota: Petition of R. Reiersen, chairman; Emil Sonsteli and John H. Johnson, supervisors, members of the Board of Supervisors of Sletten Township, near McIntosh, Minn., praying for the cessation of further trade treaties involving a reduction of tariffs; to the Committee on Ways and Means.

7409. By Mr. CONNERY: Memorial of the City Council of Salem, Mass., urging that the so-called "processing tax" on cotton and cotton products be abolished, and further that Congress impose regulations prohibiting the importation of Japanese cotton or cotton products; also leather, shoes, toys, machinery, etc., to the United States of America; to the Committee on Ways and Means.

7410. By Mr. FOCHT: Petition of John C. Seiders and other residents of Burnt Cabins, Huntingdon County, a part of the Eighteenth Congressional District of Pennsylvania, urging that Congress pass a uniform Federal old-age pension law that must be adopted by the States before any Federal aid or relief is available; to the Committee on Ways and Means.

7411. By Mr. FULMER: Petition memorializing the Congress of the United States to pass adequate legislation to prohibit the further operation of the stretch-out system in the textile industry of the Nation; to the Committee on Interstate and Foreign Commerce.

7412. Also, petition memorializing the Congress of the United States to pass the pending measure introduced by Hon. H. P. FULMER authorizing employees of the Veterans' Administration to accept or reject quarters furnished by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

7413. By Mr. GOLDSBOROUGH: Resolution of residents of Wicomico County, Md., urging Congress to extend fundamental principles of the National Recovery Act; to the Committee on Appropriations.

7414. Also, resolution of Sunshine Council, No. 24, Sons and Daughters of Liberty, favoring House bill 5921 pertaining to deportation of aliens; to the Committee on Immigration and Naturalization.

7415. By Mr. JOHNSON of Texas: Petition of William Harris, of Covington, Tex., favoring House bill 6995; to the Committee on Pensions.

7416. Also, petition of Ethel Collier, secretary of the Ennis Circle of the Child Conservation League, of Ennis, Tex., favoring House bill 6472; to the Committee on Interstate and Foreign Commerce.

7417. Also, petition of O. B. Love, owner of Coolidge Poultry Farm and Hatchery, of Coolidge, Tex., favoring House bill 5802; to the Committee on Ways and Means.

7418. Also, petition of E. O. Siecke, director, Texas forest service, Agricultural and Mechanical College of Texas, College Station, Tex., favoring House bill 6914; to the Committee on Agriculture.

7419. By Mr. MAPES: Petition of J. S. Tindall and others, of Cedar Springs, Mich., recommending the passage of House bill 6026; to the Committee on Ways and Means.

7420. Also, petition of 114 citizens of Kent County and members of the Fuller Avenue Christian Reformed Church, of Grand Rapids, Mich., recommending the repeal of the Wheeler-Howard Act and protesting against the continuance in office of the present Commissioner of Indian Affairs; to the Committee on Indian Affairs.

7421. By Mr. MURDOCK: Petition of Railway Employees Protective Association of Ogden, Utah, urging the enactment of House bill 5262, providing for Federal regulation of interstate highway motor transportation; to the Committee on Interstate and Foreign Commerce.

7422. By Mr. PFELFER: Petition of the Continental Undergarment Co., Brooklyn, N. Y., concerning the Wagner labor-disputes bill (S. 1958); to the Committee on Labor.

7423. Also, petition of the Hilo Varnish Corporation, Brooklyn, N. Y., concerning the Wagner labor-disputes bill (S. 1958); to the Committee on Labor.

7424. By Mr. RUDD: Petition of the Queens County Council, Department of New York, Veterans of Foreign Wars, Jamaica, N. Y., and Veterans of Foreign Wars Posts of Queens County, favoring the passage of the Connery bill (H. R. 5224); to the Committee on Labor.

7425. By Mr. THURSTON: Petition containing the names of 81 residents of the Fifth Iowa District, supporting legislation to prohibit manufacturers' special rebates or discounts to chain- or branch-store organizations competing with independent retail establishments; to the Committee on Interstate and Foreign Commerce.

7426. By Mr. TRUAX: Petition of the Summit County Joint Action Committee for the workers' bill, Akron, Ohio, by their president, Paul Babos, and secretary, Mike Kish, stating that of all the social-insurance bills before Congress they find House bill 2827, or Lundeen bill, as the one which serves the best interest of the broad working masses most effectively; to the Committee on Labor.

7427. Also, petition of George Smith and numerous other citizens of Norwalk, Ohio, urging support of the McGroarty bill, known as the "Townsend plan"; to the Committee on Ways and Means.

7428. Also, petition of Branch Y-119 of the Youth Section of the International Workers Order of the City of Bellaire, Ohio, by their secretary, William Podmaka, urging support of the workers unemployment and social-insurance bill (H. R. 2827) as they believe this bill to be the only one that offers any real measure of protection to both the adult and young workers of this country; to the Committee on Labor.

7429. Also, petition of the Joint Council of Teamsters, Local 44 (consisting of Teamsters and Chauffeurs, Local 20, Milk Drivers and Dairy Employees, Local 361, Bakery Drivers, Local 365, and Taxi Drivers, Local 494), Toledo, Ohio, by their secretary, Frank J. Randall, urging support of House bill 7172, known as the "Mead substitute bill", also House bill 6990 which provides for a 40-hour week for all postal employees, also favoring the Wagner labor disputes bill; to the Committee on the Post Office and Post Roads.

7430. Also, petition of Local Union No. 10, International Union of Operating Engineers, Toledo, Ohio, by their secretary, S. A. Bloom, urging support of the Mead substitute bill and House bill 6990 which provides for a 40-hour week for all postal employees; to the Committee on the Post Office and Post Roads.

7431. By the SPEAKER. Petition of the Anti-Radio Patent Racket League; to the Committee on Interstate and Foreign Commerce.

7432. Also, petition of the Greeneville Chamber of Commerce, Greeneville, Tenn.; to the Committee on the Judiciary.

7433. Also, petition of the Old Hickory Club, of Detroit, Mich.; to the Committee on Expenditures in the Executive Departments.

7434. Also, petition of the Civic Leaders Club, Los Angeles, Calif.; to the Committee on Ways and Means.

7435. Also, petition of the Federal Bar Association, Washington, D. C.; to the Committee on the Library.

7436. By Mr. ROGERS of New Hampshire: Petition of the city government of Manchester, N. H., relating to the adoption of remedial measures to save the textile industry for Manchester and the State of New Hampshire; to the Committee on Ways and Means.

## SENATE

WEDNESDAY, APRIL 24, 1935

(Legislative day of Monday, Apr. 15, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, April 23, 1935, was dispensed with, and the Journal was approved.